DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 1991

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

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[1] Resigned Committee, May 16, 1990.
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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 1991

TUESDAY, MARCH 13, 1990.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

WITNESSES

ROBERT D. BUSH, EXECUTIVE DIRECTOR
JOHN FOWLER, DEPUTY EXECUTIVE DIRECTOR AND GENERAL COUNSEL

Mr. AUCOIN. We'll call the Advisory Council on Historic Preservation, Dr. Robert Bush, the executive director, and John Fowler, the deputy executive director and general counsel. Welcome, gentlemen.

We have your statement, which we'll submit in the record.

[The prepared statement of Mr. Bush follows:]

Advisory Council On Historic Preservation

The Old Post Office Building
1100 Pennsylvania Avenue, NW, #809
Washington, DC 20004

STATEMENT OF DR. ROBERT D. BUSH
EXECUTIVE DIRECTOR, ADVISORY COUNCIL ON HISTORIC PRESERVATION
BEFORE THE SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES

March 13, 1990

Mr. Chairman and Members of the Committee, I am Dr. Robert D. Bush, executive director of the Advisory Council on Historic Preservation. It gives me great pleasure to present our program and appropriations request for FY 1991. We are particularly pleased this year to be recognized in the President's budget as an important component of the Administration's initiative to preserve America's heritage. We believe the President's budget truly reflects a new commitment to historic preservation and we are proud to be part of it.

The Council is an independent Federal agency created by the National Historic Preservation Act of 1966, and is composed of 19 members, including heads of 6 Federal agencies, the Architect of the Capitol, representatives of State and local governments, the preservation community, and non-Federal members appointed by the President. We have two principal duties: to advise the President and Congress on matters concerning the national historic preservation program, and to oversee the process established under Section 106 of the National Historic Preservation Act to protect historic properties from needless harm by Federal activities. To carry out these duties, our FY 1990 appropriation, adjusted for the Gramm-Rudman sequester, is $1.894 million; our requested level for FY 1991 is $2.238 million.

Under Section 106, we review more than 2,900 projects each year, which range from the construction of reservoirs and highways to the rehabilitation of historic buildings and the issuance of Federal permits for private construction activities. More than 1,000 of these projects involve consultation among the Federal agency, the State Historic Preservation Officer (SHPO), and the Council to deal with the effects of Federal undertakings on historic properties, with particular attention to mitigating adverse impacts. Through open discussions between interested

parties, examination of possible alternatives, and consideration of the views of the affected public, balanced and reasonable solutions are reached in a timely manner. Needed Federal projects proceed, and historic preservation values are protected.

The agreed-upon solutions to potential conflicts between historic preservation and Federal projects achieve a variety of objectives. First and foremost, the agreements usually result in the accommodation of project needs with historic preservation goals through modification or redesign of the project. Quite often, through the input of expert advice from the Council and the State Historic Preservation Officer, this is achieved at a cost savings to the Federal government compared to the original proposal. Second, because the solution is agreed to by the sponsoring agency and the historic preservation interests, it provides a clear blueprint for project development, which avoids disputes and delay as the project is implemented.

Finally, a definitive agreement with the Federal agency as to its treatment of historic properties establishes a clear record of that agency's compliance with the law. As a result, successful legal challenges that might otherwise delay a worthwhile Federal project are nearly impossible.

During FY 1989, the third year our new regulations had been in effect, our caseload continued to grow. Cases submitted to the Council for comment increased 33 percent in FY 1989, following a 40 percent increase the previous year. While staff resources remained constant at 33 FTEs during the fiscal year, management improvements and the conversion of a staff support position to Historic Preservation Specialist allowed us to keep reasonably abreast of the workload. In FY 1989 the output of closed cases increased from 1524 to 1913. Nevertheless, our backlog of unfinished cases carried over to the next year increased from 652 at the end of FY 1988 to 990 at the close of FY 1989.

The prognosis for FY 1990 is a bit brighter, as budget increases approved by this committee will allow us to add two new professional positions to the staff. We anticipate that this will stem the rise in our backlog of Section 106 cases. New resources sought in the President's budget for FY 1991 will give us the necessary staff to meet our new case demands and reduce significantly the number of cases unfinished at the end of the year.

One of the detrimental effects of the rise in caseload is that we have not been able to devote as much time as we believe is necessary to long-range efforts to improve the preservation capabilities of Federal agencies. It is in this latter area that we hope to reduce the Council's involvement in individual Section 106 case review over the long run and improve the consideration that Federal agencies give to historic preservation issues.

Despite the increased caseload demands, the Council did make some notable progress in its long-term objectives of Federal program improvement. Training sessions for Federal, State, and local officials declined only slightly from the all-time high in FY 1988. More than 500 officials attended 20 sessions of the Council's formal Section 106 training course, "Introduction to Federal Projects and Historic Preservation Law," which is cosponsored with the General Services Administration's Training Center. In addition, Council staff participated in numerous other training and informational sessions, which raised the general understanding of the Section 106 for participants.

Another area of achievement in FY 1989 was the addition of new publications to our series of Section 106 guidance and informational documents. These materials provide advice and guidance to participants in the review process by answering commonly asked questions and suggesting solutions to frequently encountered problems. Better informed participants produce better Section 106 solutions and ease the burdens on SHPO and Council staff. Contributions in FY 1989 included a new guidance document on public involvement in the Section 106 process and a comprehensive document on preparing the agreements which complete the process and embody preservation solutions. Several informal fact sheets on such subjects as Native American participation and programmatic agreements were also issued.

Other efforts to improve Federal agency historic preservation capabilities were successfully pursued in FY 1989, although the increased caseload limited the staff resources available for this important work.

The Council uses several mechanisms to attain this goal. Most useful is the Programmatic Agreement, in which the Council, one or more State Historic Preservation Officers, and a Federal agency agree on a program for treating historic properties in connection with some large or complex Federal activity. This agreement supersedes application of the regulations to specific cases and is tailored to the needs of the agency, the particular activities, and the types of historic properties in question.

The Programmatic Agreement reduces paperwork, speeds up the time-frames for agency reviews of their undertakings, and cuts back on the number of steps required in the consultation process. Additionally, the Council has provided supplementary advice to Federal agencies on appropriate, efficient, and workable ways to deal with the Section 106 review process. Examples of this are guidance documents on identifying historic properties and public participation in the Section 106 process.

The resources invested in programmatic and training efforts reap significant dividends for both the Council and Federal program agencies. Over the long term, developing internal preservation systems and capabilities is the key to sensitive consideration of historic preservation values by Federal agencies. With proper guidance, education, and tailored procedures, agencies solve their own problems with less need for recourse to the Council.

As is the past, not all the Council's attention was devoted to the administration of the Section 106 process and improving Federal agency programs. The Council role as preservation policy advisor to the President and the Congress was advanced by Council consideration of urban and rural preservation issues at its winter and spring meetings. The members observed the challenges of preserving historic properties threatened by downtown urban development and by the expansion of metropolitan centers. They responded with policy recommendations, including endorsement of the concept of a legislative initiative to strengthen protections for National Parks and important heritage resources,

Another challenging initiative the Council completed in FY 1990 was a computerized Historic Resources Management plan for the U.S. Military Academy at West Point. Using Council expertise and funds provided by the Army, we prepared an innovative program using readily available technology to assist the facility in making sound management decisions for each of the 1,442 historic properties located on 20,000 acres. The exciting aspect of this project is its adaptability to our historic resource management contexts, and presents an opportunity that we are currently exploring with other agencies and the SHPOs.

We hope to pursue related activities in the future, as we eventually are able to reallocate resources from Section 106 case review to these important activities that will contribute to the long-term health of historic preservation in the United States.

Our FY 1991 budget will provide us an increase of $344,000 and two FTEs over FY 1990. This increase will allow us to meet the rising costs of doing business, to respond adequately to our Section 106 caseload and to undertake expanded program improvement initiatives. We will be able to add a Historic Preservation Specialist to both our project review staff and our program improvement staff. Combined with continued management improvements and increased efficiency in the Section 106 process, the Council will be well equipped to carry out its role in the national historic preservation program.

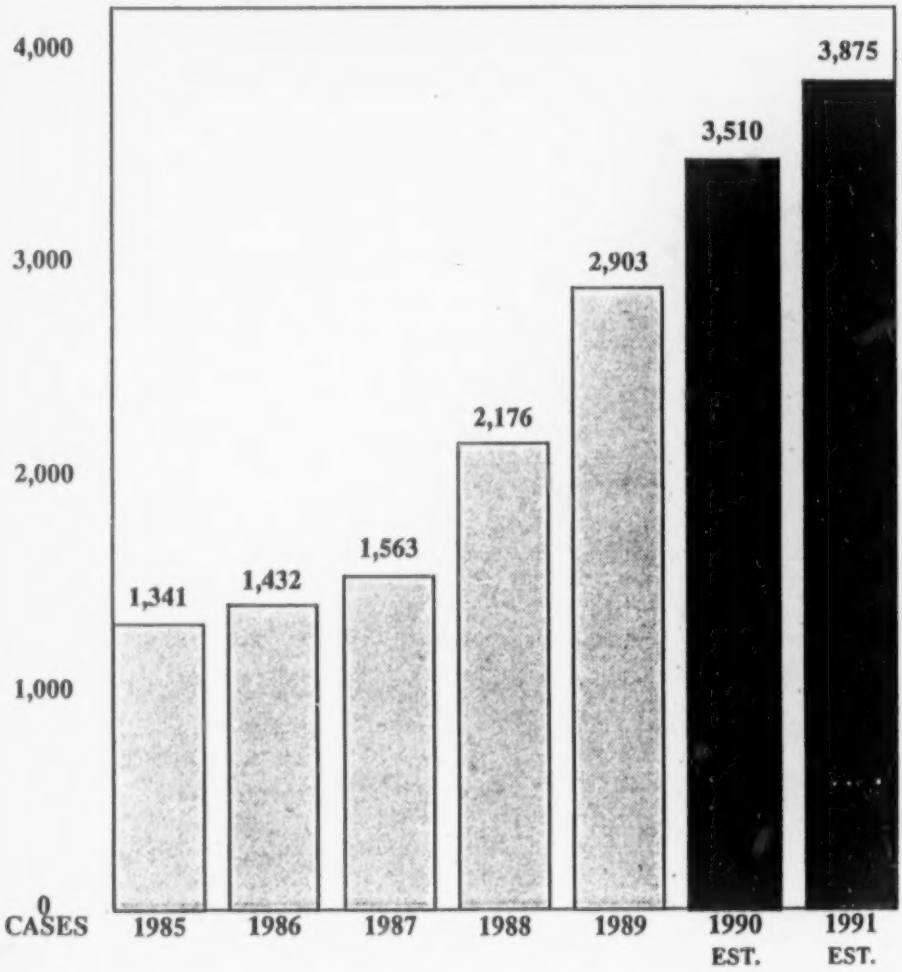
While we are quite pleased with our request level, we would like to bring the Committee's attention one problem that has arisen out of our FY 1990 appropriation. Included in the act was a proviso that barred the Council from expending appropriated funds to comment upon federally supported undertakings at

scientific and technological research facilities. We believe this attempt to legislatively exempt certain types of projects from the Section 106 process is a bad precedent and inconsistent with the principles of the national historic preservation program. Indeed, the Administration formally opposed a similar action with regard to NASA historic properties. We respectfully request the Committee's assistance in preventing any similar legislative exemptions in the future.

Appendixes
A. 106 Caseload
B. Staffing level
C. Budget authority level

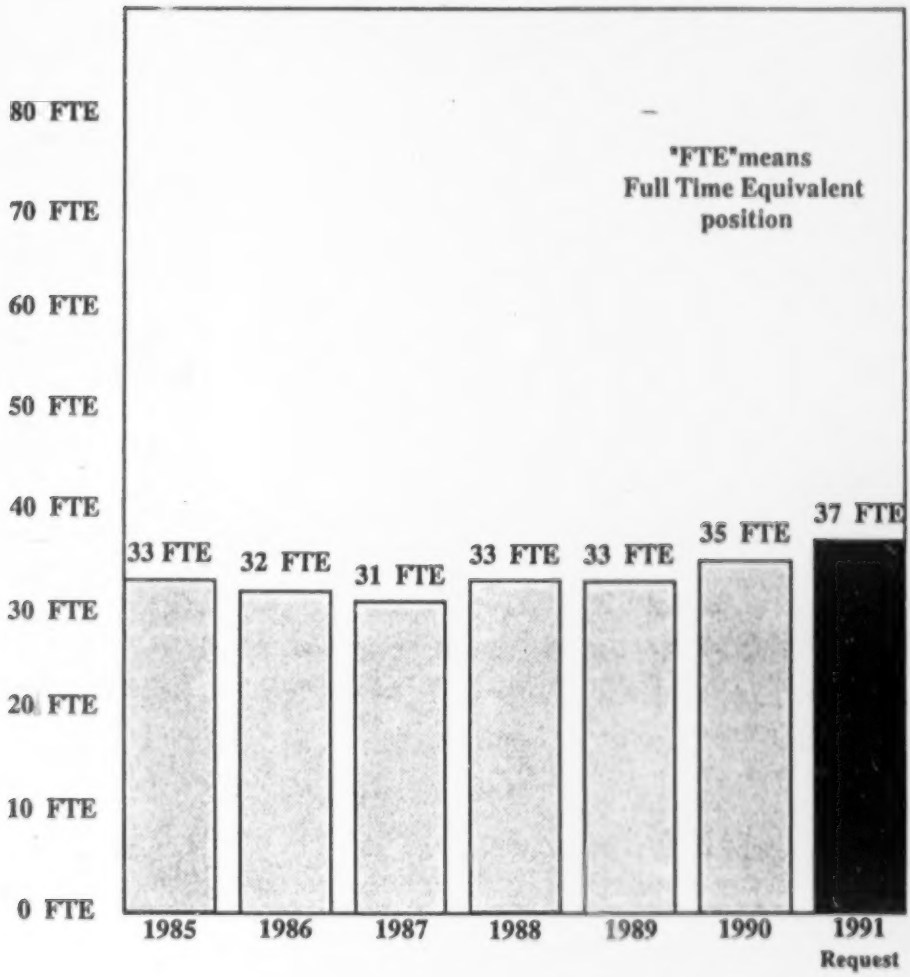
Advisory Council on Historic Preservation

SECTION 106 CASELOAD COMPARISON
Seven Years: FY1985--FY1991

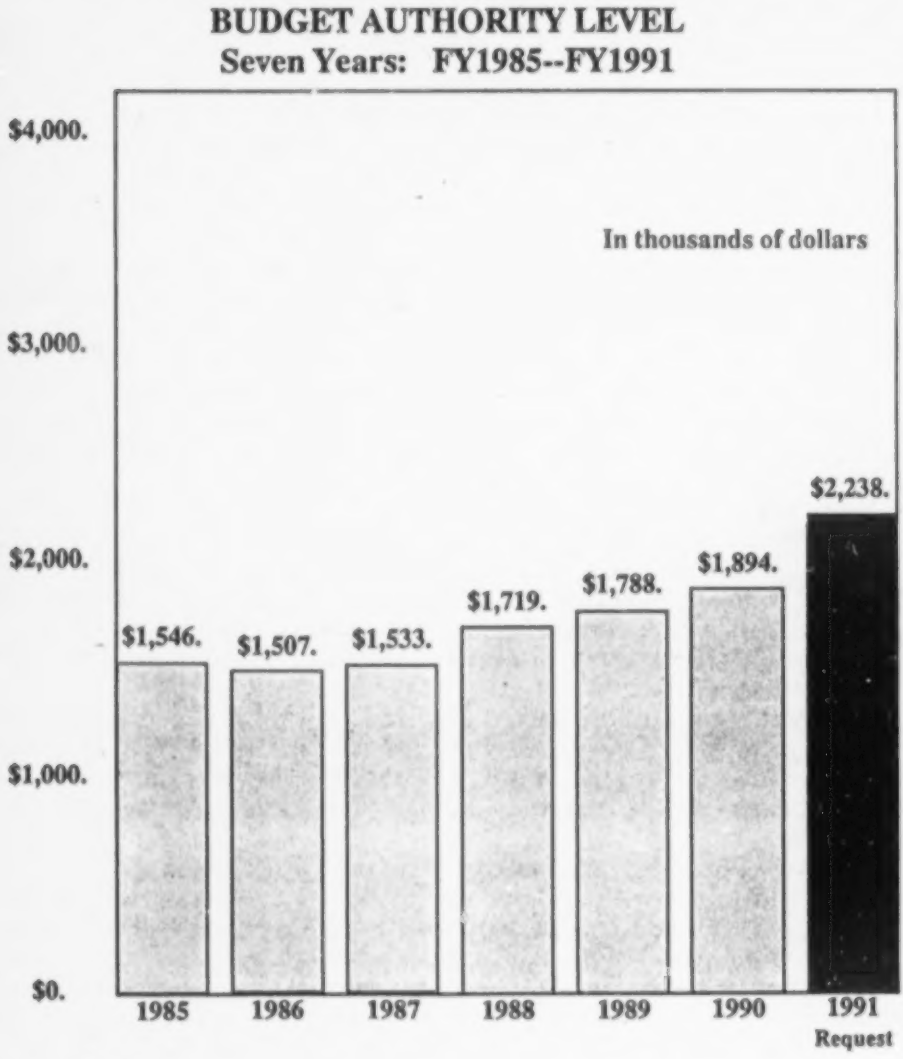


Advisory Council on Historic Preservation

STAFFING LEVEL
Seven Years: FY1985--FY1991



Advisory Council on Historic Preservation



Mr. AUCOIN. If you would summarize your remarks

OPENING REMARKS

Mr. BUSH. We'd be pleased to, Mr. Chairman. It is a lengthy statement, and so in the interest of time what I thought I would do is summarize the request we've made to you.

I have attached with the prepared statement some charts which I would like to draw the committee's attention to in a moment to explain what all this is looking like in terms of the figures that I'm going to give you, but basically our budget in our request is over our 1990 figure of $1,894,000 in two categories.

We are requesting an expansion of that base in the amount of $245,000 to simply meet what is our current cost of doing business, dealing primarily with adjustments in terms of the pay raise that we have had to absorb for the last few years, the increased benefits, particularly the FERS. With the number of new people coming on board, and the staff at the Advisory Council now all under the FERS retirement program, this has resulted in a substantial increase in terms of our personnel costs.

As to the second part of our budget increase for 1991, this committee last year recognized our needs and provided us with the recommendation for two additional staff persons to go from 33 to 35. Because of the uncertainty with regard to the length of the sequester for our own internal budgeting, we went ahead and filled one of those positions in order to relieve the stress on our increasing caseload requirements.

With the completion of the sequester period, I have authorized the second of those positions to begin the hiring process, although that person is not on board yet. This brings our current FTE count is 34, although the chart would show 35 because that was our authorization.

What we are requesting in order to deal with, again, the increasing level of our workload is some $99,000 in new program activity that is in two main categories. This is to hire two more full-time employees for the Advisory Council bringing our staffing level to 37, and the resulting salary benefits, travel costs, equipments costs, and so forth are all built into that figure.

We have submitted to the White House a proposal to once again do a Presidential and National historic preservation awards program. For the 1991 budget, that figure would show in the printing budget because the main cost would be in terms of preparing the advertising and the announcements, and then the competition qualifications and processing, and then finally printing the awards, announcements, and so forth, in the amount of $8,000.

So the total that we are requesting in terms of an increase in our appropriation is to a level of $2,238,000 for fiscal year 1991. I have, in the process of trying to reconcile the increasing costs of our doing business, not only personnel, but also the increasing workload that we've had, tried to plot this out because last year this committee and certainly our oversight committee asked the same question, "How come your workload keeps going up and at what rate?"

Depending upon the actual figures for a caseload, we are computing that between 1989 and 1990, for example, our amount of caseload went up approximately 28 percent. We're anticipating about a 30 to 33 percent increase into 1991. When I tried to plot this out and said, "All right, how can we illustrate to the committee, and to our Council, and to the general public, what in fact is happening?" We came up with the charts that are appended to your prepared statement I would ask that they be entered into the record as part of the document.

Mr. AuCoin. So ordered.

INCREASING CASELOAD

Mr. Bush. In quick summary, Mr. Chairman, you can see on our brief graph the increasing level of our caseload, and we use 1985 because this was the last year prior to the implementation of our new regulations that were passed by the Council and became effective in October of 1986. With the result of those regulatory changes, primarily designed to increase the flexibility of Federal agencies to meet their historic preservation responsibilities and also provide a timetable for dealing with the cases that need to be handled in an orderly and efficient way with a particular timeclock ticking, you can see what has happened.

You can see not only the regulatory change which I discussed last year with this committee, but also the educational program. You'll see in our budget that part of what we are doing here is putting people into—we have done that in terms of a new hire that is on the table right now, and one scheduled for 1991. If the committee approves our budget, we would add additional people into the Office of Program Review and Education. What we are finding is that as Federal agencies and agency personnel, as the State historic preservation officers and the local communities discover more about what the responsibility of the Federal Government is and their responsibilities at the State and local level to deal with preservation issues, the result is that more people are in fact doing that. As a result, our caseload is going up just as you can see on this chart.

We projected before this committee last year, for example, that the 1989 figure would be about 2,500. By the time we got done doing the tallying, it amounted to 2,900, exceeding our expectation there. By comparing the increasing caseload, you can see what has happened in terms of our budget.

This committee has been very supportive of our budgetary needs in the past, and certainly this year it is my pleasure to report that the administration has recognized the needs of the Council in terms of our budget request that we had figured and submitted to you, and OMB has recognized our figure of $2,238,000 as being the administration request.

Perhaps side by side, Mr. Chairman, you can see the two figures in terms of staffing level and budget—and then caseload. As a result of these charts it became much clearer to me what I was trying to say with figures and having a difficult time trying to justify. The relationship of budget and personnel to actual work being

delivered, is well illustrated in the charts that are part of our statement.

Hopefully we can continue to advise the committee in succeeding years in much of the same way as to how this is working.

INCREASED STAFF

Mr. AUCOIN. The Committee gave you two additional FTEs last year.

Mr. BUSH. Yes, sir. They did.

Mr. AUCOIN. And OMB has let you have two additional FTEs this year.

Mr. BUSH. Correct.

Mr. AUCOIN. What would two additional FTEs cost?

Mr. BUSH. The total figure is about $90,000, but we have broken this down in terms of both the salaries at about $57,000 for two positions, then the benefits at about $11,000 in terms of, again, both positions being under FERS, which means the level is unlike earlier benefits figures of about 18 percent. We're up to 20 or 21 percent.

Mr. AUCOIN. $90,000 total?

Mr. BUSH. Yes, sir. It's a total of about $94,000, but I'd be happy to provide that for the record because the itemization, Mr. Chairman, is on page 8 of our budget, and I have $59,000 for salaries——

CASE BACKLOG

Mr. AUCOIN. Let me just ask you this: Would you be able to make a bigger dent in your backlog if you had four additional specialists instead of two in the coming fiscal year?

Mr. BUSH. Yes, sir. It would because our agency is very labor intensive, just by the very nature of the work we do.

Mr. AUCOIN. So that would be helpful?

Mr. BUSH. I think it would be helpful. It is very easy to say, "Yes, this would be helpful because of the increase in caseload and because of the role, for example, of additional personnel to deal with the carryover cases."

Mr. AUCOIN. I would think it would be helpful. In looking at page 25 of your budget justification, you show that you completed in 1988, 1,524 cases, and in 1989, 1,913 cases. Then you estimate that you'll be able to complete 3,295 cases in 1991.

Mr. BUSH. Yes.

Mr. AUCOIN. You only get two additional FTEs added by the Committee in 1990 and, assuming that you get two additional FTEs requested for 1991——

Mr. BUSH. That's correct.

Mr. AUCOIN. Even with those that the Committee gave you and those that OMB managed to spring loose for you, how can you expect to increase your case processing by 72 percent, which is how that works out, with only a 12 percent increase in staff?

Mr. BUSH. Well, there are a number of things that we're doing. When we start playing with the number of cases coming in, we're dealing with a substantial amount of unknowns or variables because some of the increasing trend that we've seen, Mr. Chairman,

is that several of these cases are being resolved before they get to the Council. They're being resolved at the State level.

We are also attempting to deal with many of the cases through——

Mr. AuCoin. Well, those don't count, do they?

Mr. Bush. Pardon me?

Mr. AuCoin. Those that are resolved at an earlier point don't really account for the——

Mr. Bush. No, they don't. What I'm saying is what we are seeing through training is a lot of the case resolution that we're trying to deal with, particularly through programmatic agreements, but what we're counting here are individual cases. If you look on page 30 at our programmatic agreements in table 5, you'll see that we're going from 160 in 1988 to 350 estimated in 1991.

Mr. AuCoin. But those aren't included in your estimate of the completion of 3,295 cases.

Mr. Bush. No, they are not.

WORKLOAD INCREASE

Mr. AuCoin. Well, let's go back to my question. How do you pull off the achievement of an increase of your case processing by 72 percent with only a 12 percent increase in your staff?

Mr. Bush. Well, the basic way—we may not be able to, Mr. Chairman. As you can see from the carryovers, we have not been able to do so in the past.

Mr. AuCoin. Something has come to increase your optimism. What is that?

Mr. Bush. Well, the increase in the optimism is due to the fact that we are beginning to deal more, I think, in terms of the people I have on board now at 34 going to 35 and then hopefully to 37, so that we can begin to handle more of those cases over the next year and a half to two years with that increase to 37.

Mr. AuCoin. That's a 12 percent increase in staff.

Mr. Bush. That's a 12 percent increase.

Mr. AuCoin. How does that 12 percent increase translate into 72 percent increase in cases processed?

Mr. Bush. It means heavier workloads per historic preservation specialist is what it means, Mr. Chairman.

Mr. AuCoin. Suddenly you'll get that out of that workforce this year in a manner in which you were not able to in 1988 to 1989?

Mr. Bush. I don't think so, Mr. Chairman. What I'm saying is I don't know enough right at this point to be able to guarantee that we can do it with two additional people, but theoretically we should and we could.

ADDITIONAL FTES

Mr. AuCoin. And you could make a bigger dent in the whole thing if the committee funded additional FTEs.

Mr. Bush. Yes, sir. But there would also be resulting expenses which we would have to add with the two additional FTEs that you are considering, Mr. Chairman, in terms of space for them, computers, and travel, and so forth.

Mr. AuCoin. Would it be good to have that additional capability?

Mr. BUSH. Yes, sir. It would.

Mr. AUCOIN. Mr. Atkins, do you have questions?

Mr. ATKINS. No questions.

Mr. AUCOIN. Thank you very much. We have additional questions that we will give you to supply answers to for the record.

Mr. BUSH. Thank you, Mr. Chairman.

Mr. AUCOIN. Thank you.

[Questions and answers for the record follow.]

ADVISORY COUNCIL ON HISTORIC PRESERVATION
Questions for the Record

Caseload

Question. When do you expect the workload to level off?

Answer. Because Federal agencies submit cases to the Council for review, it is not possible to say precisely what the future directions of the Council caseload will be. We anticipate that there will be a continuing increase in new cases submitted as more agency officials learn the correct way to comply with Section 106. This in turn should be increasingly offset by achievements in the programmatic agreement area, which simplify and decentralize case review to require less Council involvement on a case by case basis. The projected increases for FY 1990 and FY 1991 are based on these assumptions and show a smaller increase than the past two years. It is quite possible that the increases in new cases submitted will be smaller in the years after, but this is impossible to say with any degree of certainty.

Question. When do you expect to eliminate the backlog of cases?

Answer. The request for additional staff in FY 1991 will allow a major reduction in our backlog, which are the cases carried over from one fiscal year to the next. It is important to note that the "Carryover" figure in Table III of the budget submission (ACHP-25) includes all cases open at the end of the fiscal year. A certain portion of these (about 150 in FY 1989 and 230 in FY 1990) are cases that are undergoing normal review within the 30-day timeframes of the regulations. They are not "backlog" per se; rather they just happen to be open on the last day of the fiscal year and will be closed within the next 30 days. There are also a certain number, which may be around 100 cases this year (200 in FY 1991), that are open because of extended planning schedules that have not been delayed on account of Section 106 review. A major highway project or construction of a Federal office building have long gestation periods, due to the host of other requirements that must be met. The section 106 processing occurs on schedule as needed by the agency, but may remain an "open" case at the Council for what appears to be an inordinate amount of time. Subtracting these cases leaves the "real" backlog of cases that demand more staff time for processing. We see this number rising from approximately 740 at the close of FY 1989 to about 760 at the close of FY 1990 as new staff address the increased FY 1990 caseload. In FY 1991, with the addition of

requested staff, that backlog should drop to about 150. This indicates that there is still a need for additional staff to totally eliminate delay in case processing.

Question. Have you had any agency complaints on your backlog? If so, who has complained and what have they told you?

Answer. Complaints on processing of specific cases occur occasionally, usually when agencies are nearing deadlines for commitment of funds. However, because the regulations permit an agency to proceed in most cases if the Council has not responded within a specified time to an agency proposal (usually thirty days), the consequence is that an agency is not unduly concerned if the Council misses a regulatory deadline. The staff endeavors to meet these time limits, as to fail to do so effectively waives our opportunity to comment and influence a project. Where we do get complaints from agencies is our inability to reposed to their requests that we develop programmatic agreements, due to the priority given to meeting the deadlines of individual case review. This causes opportunities to be lost to make long-term improvements in the process.

Program Agreements with Other Federal Agencies

Question. What progress have you made on establishing programmatic agreements with other Federal agencies to assume historic preservation review responsibility?

Answer. There are many categories of Programmatic Agreements (PAs) either in place or under discussion. The regulations (36 CFR Sec. 800.13) provide for PAs in the following circumstances:

- o When effects on historic properties are similar and repetitive or are multi-State or national in scope;
- o When effects on historic properties cannot be fully determined prior to approval;
- o When non-Federal parties are delegated major decisionmaking responsibilities;
- o That involve development of regional or land-management plans; or
- o That involve routine management activities at Federal installations.

Currently, we have numerous agreements with agencies in all of these categories; this includes agreements with local governments for Community Development Block Grants.

We have thus made considerable progress in putting Programmatic Agreements in place, but it must be emphasized that the purpose of PAs is not necessarily to have agencies simply assume historic preservation review responsibility. The purpose of PAs is to provide a better fit between agency programs and procedures and the historic preservation procedures established by the Council's regulations. This makes the process more efficient, provides for more resolution of individual cases at the local level between the agency and the State Historic Preservation Officer, and provides for better integration of all historic preservation responsibilities and management needs within the agency's mission and programs.

Question. How many agreements are in place now? What do they generally involve?

Answer. As indicated above, we have about 30 nationwide program agreements in place now, most of which tailor the Section 106 process to some extent to the specific program in question. A number of these agreements were negotiated prior to the installation of the current regulations in 1986, and need to be reviewed for necessary amendments or, where no longer needed, for termination. There are also, however, hundreds of agreements that provide regional, statewide, local community, or Federal installation-specific coverage. Such agreements generally involve (1) recognition of existing agency procedures, management systems, and organizational structure for dealing with historic preservation; (2) expedited procedures and tailored standards for identification, evaluation, and (in some cases) treatment of historic properties; (3) increased reliance on agency/SHPO resolution of disagreements without Council involvement; and (4) agency/Council monitoring and dispute resolution.

Question. To what extent have such arrangements enabled you to reduce your casework backlog?

Answer. We are not certain; we will be examining this question as part of our overall review of existing Programmatic Agreements in the latter half of FY 1990 and the beginning of FY 1991. We believe that many PAs reduce individual caseload figures for those agencies, such as those relating to management of national forests, public lands and military installations. Others, such as a PA being concluded with the Small Business Administration, will raise case figures slightly because SBA rarely complied with Section 106 in the past for its small business loans. We are hopeful, however, that in either case historic preservation review can be done more efficiently and handled through clearly established, agreed-upon channels; this

will improve the effectiveness of the Section 106 process, even if it does not result in dramatic reductions of caseload numbers.

Question. How do you ensure that you don't end up with the "fox in the chicken house" when you allow other Federal agencies to conduct their own historic preservation reviews?

Answer. We must rely on a combination of agency reporting about their activities under the agreements, State and Council monitoring of the agreements, biannual or other regular meetings to review the implementation of the agreements, termination dates included in the agreements to recognize their useful "shelf life," and complaints from concerned citizens or other interested organizations. It is impossible to keep the fox out of the chicken house, but we are hopeful that regular feedings of fox pellets, educational programs about getting along with chickens, and a clear understanding of the implications of getting caught with a chicken in one's jaws (such as termination of a nationwide agreement) will convince the fox that peaceful co-existence with the chickens is in its best interests.

State Agreements

Question. Last year you suggested that one way to reduce your caseload would be through establishing agreements with the States. You told the Committee that you were working with 4 States. What progress have you made over the past year?

Answer. We have made no progress over the last year on State Agreements. Following initial exploration with a number of states, most of those states have either chosen not to pursue State agreements at this time, have been working to get state legislation and other statewide protective mechanisms in place before proceeding with further discussions with us, or are still assembling the documentation called for in Section 800.7(a)(2) of the Council's regulations.

Question. What States do you have agreements with now?

Answer. There are currently no State agreements in place.

Question. What States are you working with?

Answer. The only states we have had active discussions with within the last year are New Mexico and New York. Work started earlier with California and Rhode Island has not progressed in FY 1990.

Question. Where are you in the process with those states?

Answer. With New Mexico, we have exchanged drafts of an agreement, and are now waiting for documentation from them on their existing state system and other information required under Sec. 800.7(a)(2) of the Council's regulations, as well as their response to our draft of an agreement. In the case of New York, we met with them in April, 1989 to explain the State Agreement process and go over some preliminary ideas; we are still awaiting a further expression of their interest and necessary documentation.

Question. Why do you continue to place a seemingly low priority on establishing agreements with the States?

Answer. Based on preliminary consultation and (in the case of New Mexico), exchange of drafts, we see the possibility of several such agreements over the next two years. However, given the ability of states and Federal agencies to tailor the Council's procedures to their concerns and programs through other types of project-specific, statewide, regional, or national programmatic agreements, there is less interest than there may have been in 1986, when the current regulations went into effect, in this provision of the regulations. In addition, under 800.7 of the Council's regulations Federal agency use of the state procedure under a State Agreement is voluntary, not mandatory; hence, we suspect many agencies would choose national consistency over state-by-state variation in the historic preservation procedures they would follow.

Despite these limitations, the Council intends to work to put at least one, and perhaps two, such agreements in place during FY 1990. If successful, we hope that in FY 91, the initial guidance developed and experience gained from placement of the first of these agreements will rekindle interest in other states to enter into similar agreements.

Council Meetings

Question. On page 13 of your budget justification you refer to three meetings held by the Council in FY 1989, one each in New Orleans, Washington, DC and San Francisco (at the Presidio). Were these the only meetings held by the Council? If not, what other meetings were held?

Answer. The three locations mentioned in the justification were the only full Council meetings held in FY 1989. The members often participate in Council work through task forces comprised of three to five members. Several were active in FY 1989,

including one that oversaw the development of the Council's evaluation of the effectiveness of its Section 106 regulations, one that supervised drafting of public participation guidelines, and several that reviewed Section 106 cases where there were failures to agree or potential foreclosures. These involved travel of individual members to Washington for meetings. Task forces are an integral part of member direction of Council activities; four are currently operating in FY 1990.

Question. At the New Orleans meeting, you considered "preservation tax credits and international recommendations on urban preservation." What came of this examination?

Answer. With regard to Federal tax credits for historic preservation, the Council adopted a resolution to reaffirm the value of the historic preservation tax credits as articulated in its 1983 report and the 1986 assessment. The Council also directed the Executive Director, under the direction of the Chairman, "to communicate with the Treasury and OMB concerning carefully focused amendments to the Internal Revenue Code that will increase responsible use of historic preservation credits recognizing that any amendments that increase use of such credits constitute expenditures, the priority of which must be balanced with other domestic spending priorities, and that the integrity and purpose of the Tax Reform Act of 1986 must not be compromised." As to the international recommendations on historic towns, these were embodied in the Charter on the Conservation of Historic Towns and Urban Areas, adopted by the member states of the International Council of Monuments and Sites (ICOMOS) in 1987. The Council voted to follow the recommended practices in its own work, to urge Federal agencies to do the same and to use the charter as the theme of its 1989 Annual Report to the President and the Congress.

Question. The subject of the Washington meeting was "the impact of urbanization of rural historic properties". What were the key findings of that meeting?

Answer. The membership had the opportunity to examine firsthand the impacts of expanding urban areas on rural historic resources, including small towns and National Parks. In response to the challenges presented, the membership endorsed in concept legislation to improve planning and legal protections for nationally significant heritage resources. The proposal reviewed by the Council was the draft National Heritage Conservation Act, which is being advanced by a coalition of national historic preservation organizations. The Council also directed that the review of the Section 106 regulations, being undertaken in response to the request of the House Interior and Insular Affairs Committee, specifically address the effectiveness of the Federal

historic preservation review process in dealing with impacts on rural historic properties and cultural landscapes. Finally, the Council offered its assistance to the community of Waterford, Virginia, a National Historic Landmark, in dealing with threats of development that would seriously impair the integrity of the district.

Question. In San Francisco you examined "the preservation implications of the Department of Defense's Base Realignment and Closure program". What recommendations were forthcoming from that meeting?

Answer. Based on its firsthand experience with the Presidio in San Francisco, the adopted a series of recommendations to promote the consideration of historic preservation values during the closure and disposition of historic military installations. Among these were the establishment of an interagency working group to assist in the evaluation of significant historic properties, development of effective covenants for protecting historic properties that would transferred out of Federal ownership, expression of concern for interim maintenance and protection of historic military properties pending final decisions regarding their long-term use and preparation of a programmatic agreement to expedite Section 106 reviews of closures, realignments and transfers.

Travel

Question. In FY 1991 you want to increase your travel budget from $75,000 to $105,000, a 40 percent increase. What will you be doing in FY 1991, that you are not doing this year, to justify such a large increase in travel funds?

Answer. Travel of two new historic preservation caseworkers will require $10,000, and we are providing $5,000 for additional travel to support Council meetings and task force activities. The rest of the increase is a request to restore, first, the amount sequestered in FY 1990 ($5,000) and second, the accumulated inflation of travel costs over the past few years which has effectively reduced the amount of travel we are able to purchase ($10,000).

Question. How much of the increase is for travel to Council Meetings in FY 1991?

Answer. $5,000 will provide additional resources to support Council meetings outside of Washington and a slightly enhanced level of task force activity. We have found that having the Council meet where preservation issues can be examined firsthand

improves the Council's ability to carry out its statutory charges with only a modest increment in cost, since most of the Council's members come from outside Washington and must travel to any meeting site.

Question. Please provide for the record a schedule of the Council meetings planned for 1990 and 1991 along with their associated travel costs.

Answer. The Council generally meets on a quarterly basis, although recent practice has been to extend the period between meetings slightly, to conserve funds and to coincide with other events. Our last FY 1989 meeting was in late September, which was followed by a full meeting in Washington,DC in February, 1990. Our next meeting is scheduled for Port Townsend, Washington, in mid-June. The subsequent meeting will be held in Charleston, South Carolina, in mid-October, coinciding with the annual preservation conference of the National Trust for Historic Preservation. Travel costs amounted to $5,433.00 for the February meeting; the June meeting will cost about $8,000 and the October, 1990, meeting about $6,000. The remainder of the FY 1991 meeting schedule is not yet set.

Historic Preservation Awards Program

Question. On page 4 of your budget justification you say funds are requested for a historic preservation awards program to coincide with the 25th anniversary in 1991 of the enactment of the National Historic Preservation Act. How much is included in the FY 1991 budget request to support this activity?

Answer. $23,900.

Question. How specifically will this money be used?

Answer. Salaries for an awards jury will cost $3,000 (Council members receive $100 per day when they do Council business); travel and per diem for the jury will require $6,000; press kits, the ceremony booklet, and related printing will cost $8,350; postage will amount to $550 and the award certificates will cost $6,000; for a total budget of $23,900.

Question. Where is this increase shown in the object class detail in the budget?

Answer. Salaries are shown in Object class 11 and travel object class 21 under the Council Members. The press kits and ceremonial booklet are included in object class 24, printing, and shown

under Communications and Publications which is part of Council Direction in the budget justification. Postage is included in object class 23.2 in General Administration.

Rental Payments to GSA—

Question. You request an increase of $7,000 for rental payments to GSA in FY 1991. How much of the increase is due to additional space requirements and how much is due to an increase in the GSA rate?

Answer. Our amount of space for the Washington and Denver Offices has remained constant; only the GSA rate has increased.

Printing

Question. You are requesting an increase of $8,000 for printing. In addition to the publications listed in your justification (budget page 17), what types of publications do you anticipate in FY 1991 to justify this increase?

Answer. The $8,000 increase only covers printing related to the proposed awards program. In addition to those titles listed on page 17 of the budget, during 1991 we propose to continue publishing materials that explain specific 106 review issues, promote sound Federal policies toward preservation, and improve the consistency of agency preservation policies. Among topics under consideration for first-time publication during FY 1991 are: Section 106 guidance documents on preservation of archeology, indirect and long-term adverse effects to historic properties, preservation of rural historic properties, Federal disaster assistance as it relates to historic properties, and preservation covenants and protective easements; jointly published (with GSA) technical reports on proper retrofitting of mechanical systems and windows; and informational materials that explain the Section 106 regulatory process in laymen's terms.

Other Services

Question. I notice that your request for Other Services has remained constant with the 1990 level. What types of contracts are included in the Other Services category?

Answer. Other services includes the Department of the Interior administrative services bill, blanket purchase orders for various office supplies and services from local commercial sources, training expenses, final installation of the local area network (LAN), maintenance contracts for the LAN and other electronic equipment, design and proofreading of the required Report to the President and Congress, and various Council meeting expenses.

Question. Why isn't there any inflation adjustment in the FY 1991 request for these services?

Answer. Top priority was given to satisfying personnel costs with the limited resources available in the budget allowance. Requirements for all other elements of expense including printing and other services were adjusted to fit the budget allowance. Actual requirements for other services would amount to approximately $121,000.

Question. Please provide for the record a detailed list of the FY 1989 obligations charged to "Other Services".

Answer. Department of the Interior Administrative services - $73,000; Training and tuition on new computer hardware and software -$9,000; Final installation of the local area network - $11,000; Maintenance of LAN and other electronic equipment - $10,000; Design and proofreading of the Annual Report- $8,000; Blanket purchase orders for such services as overnight mailing, messengers, film processing and development and other local services- $13,000; Council meeting expenses such as recording of minutes, charter bus service, and rental of conference space - $4,000; for a total of $128,000.

Administrative Fees Paid to the Department of the Interior

Question. In FY 1990 you received an increase to pay for administrative overhead provided to the Council by the Department of the Interior. What is the estimated 1991 DOI fee for administrative services?

Answer. The FY 1991 estimate is $93,100.

Question. How does that compare with 1990?

Answer. The FY 1991 estimate is slightly lower than the FY 1990 estimate of $94,800.

Question. What services are provided by DOI?

Answer. The Office of the Secretary provides services and advice in the following areas: Finance (accounting, including official reports, voucher examination and payment, travel advances, imprest fund requests, and financial audit of programs); Payroll; Personnel (recruiting examining, position classification, performance appraisal, assistance in establishing other programs such as drug testing and other required personnel activities); Procurement (negotiation of purchase orders and contracts for products and services); Travel reservations, Information

resources management; Telephone and communications; Moving, storage and delivery; and Printing and copying services.

Salary Increases

Question. The highest increases in your FY 1991 request is the area of salaries. You have requested an increase of $224,000 over FY 1990. $73,000 of the increase is for promotions and performance awards.
-- Why do you need an additional $73,000 for promotions and performance awards in FY 1991?

Answer. The salaries portion of our budget has been underfunded for several years due to the Administration's current policy of requiring absorption of annual classified pay raises. Without providing the resources to cover these enacted increases, reprogramming of funds budgeted for other purposes is necessary. In addition, the executive pay raise taking effect in January, 1991, is the single largest item in this figure. The $73,000 request consists of three categories - promotions, $47,500; within grade increases, $15,200; and performance awards, $10,300.

Question. Please submit for the record a detailed justification for the increase for promotions and awards, including the titles and grades of those positions targeted for promotion in FY 1991 and their current grade classification, and a list of performance awards issued in FY 1989 and the estimated award funding for FY 1990 and FY 1991.

Answer. The staff was reorganized in FY 1989 with the creation of the Eastern and Western Offices of Project Review and the Office of Program Review and Education. Directors of these offices were upgraded to GS 14, a full grade higher than previous positions commensurate with the increased management responsibility. The incumbents are currently GS 13s and will qualify for promotion to GS 14 in FY1991. Also, we acknowledged the level of duties carried out by our senior Historic Preservation Specialists after intense review of the positions with Interior personnel experts. This raised the level to grade 12 from grade 11. Approximately 15 jobs were affected by these reorganization decisions. As individuals qualify for these positions through experience and time in grade they are promoted.

Fiscal Year 1991 Promotions
($ in thousands)

Job Title	Grade	Promotion	Cost
1. Director, OPRE	GG-13	GG-14	$6.0
2. Director, WOPR	GG-13	GG-14	6.0
3. Historic Preservation Specialist (2)	GG-11	GG-12	8.6

4. Historic Preservation Specialist (4)	GG-9	GG-11	16.4
5. Historic Preservation Specialist Assistant	GG-7	GG-9	4.3
6. Secretary (2)	GG-6	GG-7	1.2
7. Editorial Assistant	AD-6	GG-7	2.8
8. Clerk Typist	AD-5	GG-6	1.3
9. Office Systems Assistant	GG-6	GG-7	.9
TOTAL			47.5

Performance Awards

In FY 1989 we paid $4,500 to individuals in the Performance Management Resources System (PMRS) as required by law, and $1,500 was paid to all other employees. There were no SES performance awards. We expect to pay a slightly higher amount in FY 1990 because the PMRS employees' pool will be larger due to promotions. In FY 1991 we have planned to increase the performance awards program to be able to offer greater incentives to employees not covered by PMRS.

West Point Project

Question. In your request you state that you continue to work with the Army on a computerized Historic Management Plan for the U.S. Military Academy at West Point. You also state that other Federal agencies are interested in experimenting with a computerized Section 106 review system but the Council would require more resources to do this. Doesn't the Council do this work on a reimbursable basis? Why then would additional resources be needed to accomplish this work?

Answer. Agencies usually agree to provide financial support for these type projects, but do not provide the manpower needed to complete them. Staffing is left up to the receiving agency. With our limited staff, we do not have the flexibility to assign employees to these projects for any length of time since locating suitable staff replacements is a formidable problem.

Question. What specific resources would be required?

Answer. In addition to the normal support costs of travel, printing, other services, supplies and equipment, adequate replacement staff must be provided.

Question. What impact, if any, would expanding this project to other agencies have on reducing the Council's case workload?

Answer. We would expect that this would have impacts similar to the tailored program improvement activities that adapt the

Section 106 process to a particular agency. The use of a computerized database on historic resources keyed to treatment and procedural information can greatly facilitate sound management decisions.

Question. What do you see as the main benefits to be derived from expanding this project to other agencies?

Answer. As noted, improved historic resource management capability within agencies will lessen the demands on the Council to correct individual project problems.

Salary Funding

Question. Your budget on page 40 shows all your positions as "full-time permanent;" however, your funding breakdown shows that you have both full-time staff costs and other than full-time staff costs. Please provide a clarification for the record.

Answer. The Personnel Summary requires a listing of the agency's authorized ceiling, followed by the compensable work years, or full-time equivalents (FTEs) used against the ceiling. Compensable work years include all employment (full-time, part-time, and overtime). In future submissions we will identify the separate categories.

WEDNESDAY, MARCH 28, 1990.

NATIONAL CAPITAL PLANNING COMMISSION

WITNESSES

GLEN T. URQUHART, CHAIRMAN, NATIONAL CAPITAL PLANNING COMMISSION

REGINALD W. GRIFFITH, EXECUTIVE DIRECTOR

CONNIE M. HARSHAW, ADMINISTRATIVE OFFICER

ROBERT E. GRESHAM, ASSISTANT EXECUTIVE DIRECTOR FOR OPERATIONS

Mr. YATES. Mr. Urquhart, glad to see you again.

Mr. URQUHART. Chairman Yates, it's nice to be back.

Mr. YATES. Okay. Let's see what you have this year. Well, you've changed. This is the appropriation for the National Capital Planning Commission. Speaking in support of it is Mr. Glen Urquhart, the Chairman; Mr. Griffith, the Executive Director; and Ms. Harshaw, the Administrative Officer; and the resource backup, Mr. Gresham.

Mr. URQUHART. He's backing us up, Mr. Chairman.

Mr. YATES. Okay, he's backing you up.

All right, your statement may go in the record, Mr. Urquhart.

[The prepared statement of Mr. Urquhart follows:]

STATEMENT OF GLEN T. URQUHART, CHAIRMAN
NATIONAL CAPITAL PLANNING COMMISSION

FISCAL YEAR 1991 APPROPRIATION REQUEST

SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
U.S. HOUSE OF REPRESENTATIVES

MARCH 28, 1990

Thank you, Mr. Chairman. I appreciate the opportunity to discuss our 1991 budget estimates, and in doing so, I would like to summarize some of last year's major accomplishments.

I know you are familiar with the National Capital Planning Commission, but I would like to state for the record that the NCPC is the central planning agency for the Federal government. Its jurisdiction includes the National Capital Region which encompasses the District of Columbia and the six surrounding counties in Maryland and Virginia.

And although we spend a great deal of time reviewing projects and master plans, the Commission is first and foremost a planning agency. It is in this area that some of the most exciting developments are taking place.

Planners normally look ahead 10, 15, and 20 years at a time, but change is occurring at such a rapid rate that its impact will be much more dramatic than it has been in the past. While we are working within these time frames, we are looking even farther into the future.

In order to plan for the Federal establishment we need to know what its requirements will be in terms of facilities,

transportation, energy, waste management, environment, telecommunications technology, governance and intergovernmental relationships.

The Commission, with the participation of other federal agencies and groups such as the Federal City Council, is working with the Massachusetts Institute of Technology to "look over the horizon," at the year 2050--60 years from now.

The study involves computer models that will process data on land use, transportation, housing patterns, employment trends, energy, waste management, telecommunications and others.

These models and other planning tools will be applied to thematic scenarios described as a "Continuing Trends Region," the "Healthy Region," the "Educative Region," the "Equitable Region" and the "Efficient Region". Problems such as the impact of gridlock, pollution, waste disposal, alternate energy sources, and manpower needs on the federal government and related interests in the region will be identified and addressed.

We will not only define and anticipate many of the needs of and demands on the Federal establishment, but expect to identify opportunities for using the inevitable forces of change in a more productive and beneficial manner, responding to immediate issues positively without foreclosing or endangering future opportunities. In the near future we will brief public officials, business executives and community and civic leaders. Our goal is a process capable of anticipating interactions, trade-offs and/or options, many of which may not be readily apparent.

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Another needed and exciting undertaking relates to our more detailed comprehensive planning efforts for the Monumental Core. When visitors think of Washington they envision the Capitol, the Mall, the White House, the Washington Monument, Arlington Cemetery, and the Lincoln and Jefferson Memorials, all of which are located in the Monumental Core. In our last hearing we reported the Commission's belief that there is a serious need to update plans for this symbolic center of the Nation. We are intensively engaged in satisfying that need. Much of the form and visual character of our Monumental Core results from the vision of the McMillan Plan of 1901-02. Now, after almost 90 years, the McMillan Plan is almost fulfilled. Only one major site remains on the Mall, and it has been designated for the National Museum of the American Indian. The demand for museum sites continues. We are aware of some 14 proposals for new museums in the Nation's Capital. The Commission has recently reviewed sites and designs for a number of memorials in the Monumental Core. Concerns about the proliferation of memorials in this area led Congress to enact the Commemorative Works act a few years ago. The accommodation of national memorials on the limited available sites is one of the major subjects we are addressing. And, of course, the existing memorials and museums in the Monumental Core currently attract 20 to 22 million visitors a year. We anticipate 40 million visitors by the year 2010 and 60 million by mid-century as the existing attractions are necessarily expanded. Where will the needed facilities and new visitors go? How can they be accommodated while preserving the open functional

beauty of the mall? Simultaneously, consolidation and expansion of Federal agencies could add 10,000 more employees to the area.

The L'Enfant Plan provided for the symbolic and physical prominence of our Legislative and Executive Branches. The Judicial Branch, which continues to emerge and grow as a significant foundation of our democratic republic, does not share this symbolic presence. For this reason, as well as long-term space requirements identified in the Master Plan of the Architect of the Capitol, we are exploring new locations for the Supreme Court and a Judiciary Complex within the Core area.

A task force of Commission members working closely with our staff is exploring ideas and preparing proposals for the Monumental Core Plan. During the next several months, we plan to invite one or more panels of professionals in urban planning, design and related fields to meet with the task force to respond to and reinforce our ideas and provide a broader perspective to the emerging concepts.

Anything new and innovative affects built-in constituencies resistant to change and spawns controversy. We have every reason to believe the Monumental Core study will be no different. The McMillan Plan, in its time was quite controversial. Yet, it has been vital to the development of the Nation's Capital and we are convinced the Nation's Capital, this region, and the effective future functioning of the Federal establishment will similarly benefit from both the Monumental Core studies and the 2050 project.

While the Commission has the authority to plan, we welcome any support from the Congress through an endorsement of our proposal or, even better, by mandating that these projects be undertaken.

In addition to these two very exciting planning activities, the Commission continues to review numerous Federal projects and Master Plans, State and local capital improvement programs, and plans for the development of parks and parkways. Several of these projects are worth noting for their size, location and purpose.

The Southeast Federal Center project, a major catalyst in revitalizing an important and under-utilized section of Washington, is the first of several large-scale developments planned for the Anacostia Waterfront. The revised Master Plan, which this Commission approved, provides a guide for the development of an office-retail complex that will ultimately have over 5-1/2 million square feet of mostly Federal space. By redeveloping Federally-owned land and buildings, the taxpayer gets the lowest cost facilities in which to house permanent Federal functions. This will undoubtedly become the spark to launch the expansion of the Navy Yard, the upgrading of the Buzzard Point area and the development of private undertakings such as the mixed-use "Capitol Gateway" project immediately to the west of the Center.

The Washington Monument grounds as far south as the Tidal Basin are being upgraded because of the intense tourist and visitor interest. Under the direction of the National Park Service, the visitor service facility will be relocated from the base of the Monument to the shaded bowl now occupied by the Sylvan Theater. To

minimize visibility from the Monument itself, the service facility will actually be built inside of the Monument hill. A new amphitheater will be built in the slope facing the monument.

Plans also call for new design treatment for the Monument Plaza. This involves replacing the existing concrete and asphalt paving at the base with a grass surface. This will emphasize the simplicity of the obelisk rising from the grassy hill.

The Commission gave its general approval to the basic design concept of the Korean War Veterans Memorial proposed for a site in West Potomac Park southeast of the Lincoln Memorial. This was the largest memorial that we reviewed during the past year. A number of recommendations for design adjustments to help maintain the open space character of West Potomac Park and to protect the setting of the Lincoln Memorial were made by the Commission. On a nearby site in West Potomac Park, the Franklin Delano Roosevelt Memorial is also proposed for construction. The Commission has recommended a study of visitor needs and pedestrian circulation issues in the area containing the Lincoln Memorial, and these two proposed memorials. We look forward to working with the National Park Service in the coordination of these major attractions.

During the last year we were made aware of two proposed private office developments in the clear zone at the end of the southeast runway (15) at National Airport. Upon further investigation we learned that a site under the approach of the north-south runway (18) was also going to be redeveloped for office use. Either or both could become a Federal employment center under

a long term lease or lease-purchase arrangement. Our major concern here was one of safety, and although we are not experts in the field of air safety we share a responsibility for the safety of Federal employees on the ground. Our common sense suggested that an office building only 1,900 feet from the end of a runway could indeed be a hazard. Our view is supported by the Air Line Pilots Association---the people who fly the planes---which advocates that no structures be built within 3,000 feet of the runway, as does the U. S. Air Force. We notified various Federal agencies of our views and urged that they take them into consideration when seeking office space.

The Commission initiated and developed guidelines to limit adverse visual impacts from large satellite dish antennas on Federal buildings in the Nation's Capital. A few antennas on the skyline might not have massive adverse visual impacts, but many of the agencies' missions require such antennas, so there could be a proliferation. Therefore, in protecting the historical and natural features of the Nation's Capital we are working to ensure that they are placed and screened to limit their impact on the Monumental Core. For example, one agency recently proposed a 10 foot diameter rooftop dish antenna that would have faced directly onto the Mall. Through our guidelines and coordination we were able to relocate the antenna to a site on the ground completely screened from visitors' views.

The Federal Capital Improvements Program (FCIP) continues to be one of our most successful programs. The FCIP sets forth

anticipated capital improvements necessary to carry out Federal agency master plans and to implement the Comprehensive Plan for the National Capital and it has proven to be an invaluable tool to local governments in their own planning efforts. The document contains 233 construction and renovation projects from 19 Federal agencies at a projected cost of $3.2 billion over the next five years. An important part of this programming process is the Commission's annual recommendations to the Office of Management and Budget on capital budget requests from Federal agencies.

I am very pleased to report that The Comprehensive Plan which provides direction for the long range development of the Federal establishment in the Region, is currently at the printer. The Plan covers eight major areas, such as facilities, employment, diplomatic and international functions, preservation and historic features and others. Each area is known as an "element." It is used as a planning guide by Federal agencies, local jurisdictions and interested private and community groups. This document, required by law to be jointly published by NCPC and the District of Columbia, will be available in late Spring.

In the area of internal administration, I am most pleased to report that NCPC became one of 13 Federal agencies to be notified by the Secretary of Health and Human Services that our Drug-free Workplace Plan met all of the requirements of the Supplemental Appropriations Act of 1987. Our plan provides for drug awareness education and counseling as well as drug testing of employees. Drug awareness education and employee assistance counseling are

fully functioning programs and are immediately available to all employees. Drug testing will begin pending final approval from the Department of Justice.

Last year we discussed the necessity of a much needed restructuring of the Commission staff. Our goal was to achieve a more efficient organization. We have completed an agency-wide audit and effectiveness study that resulted in a reorganization. At this time we are staffed with the expertise that will enable us to exercise more initiative on planning matters.

I am sure you are aware that the Commission has not moved as of yet. Tremendous progress has been made in this area. The General Services Administration has narrowed the list of suitable locations to a possible four, one of which is most desirable. If everything goes as expected, the lease will be negotiated in early summer for a moving date in August or September.

Because of our belief in and support of the Budget and Emergency Deficit Control Act, we are limiting our new initiatives to a single undertaking---an operational three dimensional computer assisted design/geographic information system (CAD/GIS). This system would be established in the Commission to provide readily available resources to assist in our urban design, urban planning and socioeconomic and natural resource studies affecting the Federal establishment and other Federal interests in the National Capital Region.

During the past year, NCPC and the U. S. Geological Survey have worked jointly on a pilot demonstration project to devise a

combined three dimensional CAD/GIS program that can be applied to planning problems in the Nation's Capital. The system will require funding in the amount of $150,000 to cover computer hardware, software, staff training and the preparation of a database.

In terms of our total budgetary needs, we are requesting $3.2 million, a net increase of $168,000, which will provide for a staff of 50 full-time equivalent employees, rent, supplies, equipment and administrative services.

We look forward to your support of our focus on anticipating planning problems and opportunities, allowing us to become more proactive and less reactive. We are expecting a very exciting and productive year.

Mr. Chairman, this completes my formal remarks. My staff and I will be happy to answer questions.

Mr. YATES. Tell us about what you think is important and who should know.

Mr. URQUHART. Okay, we'll make some brief comments, Chairman Yates.

Mr. YATES. Good.

Mr. URQUHART. In order to plan—of course, our mission, as you know, is to plan for the Federal establishment in this region. In order to do that, we need to know what the Federal establishment's requirements are. My goal over the last several years has been to get us out of a reactive posture where agencies are proposing actions or there are crises or problems and we're trying to solve things when the parameters are very fixed and we've got very little room to maneuver, to a true planning mode where we can be proactive; we can look into the future and anticipate problems and present to ourselves, as well as to decisionmakers throughout the Government, options; where there's opportunity and time to plan rather than react.

To do that, we need to develop a lot more information in terms of facilities, transportation, energy, waste management, environment, telecommunications, and other requirements. In other words, what does the Federal Government need now and in the future to function? What is its impact going to be on this region?

To do that, we have entered into a partnership with MIT, the Massachusetts Institute of Technology. They've become our partner in an effort known as 2050, to take a look toward the middle of the next century and to anticipate what the demands will be on this region.

Let me give you an idea of the kinds of things we're talking about. Over the last several decades we have added the Department of Transportation, the Environmental Protection Agency, and many, many other Federal Government agencies. If we were to keep adding agencies even at half that rate—and I don't see any reason to believe that the Federal Government is going to stop encountering new problems and new issues and new areas of responsibility—we simply couldn't get them, even their headquarters agencies, all in this region. We'd have to think of new ways to house these facilities and arrange them. Most agencies want to be, symbolically or otherwise, as close to the White House or the Congress as possible, and you simply, given what geometry is, run out of space.

What we're doing is developing a computer model of all of these inputs, so that we can ask "what if" questions: what if transportation changes this way? What if Federal hiring practices change in this direction? What if telecommunications change this way? And we can see the interaction of all of these forces.

There is, as an illustration of what we believe we can do, a computer program now that's available that you can use on an IBM PC, and it's called "Simm City," it's "sim" as in "simulation." It is a very interesting program because it allows you to act like the mayor of a major city, and you have to deal with tax pressures, growth issues, zoning issues, environmental pressures, waste management problems, telecommunications needs, and you see the interactions of your decisions. You can look at a five- or ten-year span in just half an hour of working with this program.

It is flat in the sense that it is one dimensional. It does not have the real complexity and the depth of real life. It is an interesting illustration of the kind of thing we are going to try to do on a much more realistic and much more practical basis. Again, the key is that we are going to move into the proactive rather than the reactive mode. I shouldn't say, "we are going to." We have done that.

Supported by the Federal City Council, and other groups in this region, we have entered into this partnership with MIT. They are providing the technical expertise that we need to do this. Frankly, all of the forces that Federal planners confront get more complex than can be handled just by drawing lines on a flat plan anymore. You've got to think in terms of computer modeling to anticipate. That's our objective. We want to be able to show what the tradeoffs are and anticipate future needs so we can do things to plan now.

For instance, just a small example, the Naval Observatory has been a major institution in this city for about 100 years. We know that their mission is critical in terms of the vital database that they have of the celestial recordation of the earth's movement in relationship to stars and other fixed objects. Yet, increasingly, the environmental change of Washington, just from more people living here, changes and very adversely affects their ability to make these measurements.

At some point, we are going to have to plan for a facility in some other place that is not environmentally threatened. That is just one minuscule example of the kinds of things we better plan for in coming decades so we do not have to deal with them on a crisis basis when all of a sudden they don't work, as we're dealing with traffic now on an all-of-a-sudden-it-doesn't-work basis.

We have also focused on the monumental core. As you are aware, much of the planning of this city was based on the original L'Enfant plan. More recently, 90 years ago, we had the McMillan Plan. Well, almost 90 years ago we had Senator McMillan's commission and the plan that resulted from that. That plan has been mostly fulfilled.

We have only one mall site, only one major site, remaining on the mall. That has been committed to the National Museum of the American Indian. Certainly, there are going to be events in American history, and in our national life, that will need to be recognized and housed in museums and provided for. We certainly haven't ended the course of American history, so we know we have got to come up with some strategies to provide more land, more spaces, and creative ways to do that.

Right now, Washington has something like 21 million visitors a year. Our data suggests that by the year 2010 we will see 40 million visitors, almost double what we have today. We have to provide, and we have to plan, in ways that at the same time preserve the open space and the functional beauty of the malls. From Federal agency planning data, we could anticipate 10,000 more Federal employees just in the monumental core area, just right downtown.

We need to plan for that. We can't simply react when a particular agency says, "Now I've got to have housing for 500 or 1,000 more people." We're not doing our job if we aren't planning at least a decade, and sometimes several decades, in the future so we can outline options.

We know that these efforts of ours will probably spawn some controversy. The McMillan Plan, which has now become an institution and is much better rated, was quite controversial when it was being developed and in its early years of implementation.

We're convinced that our efforts, both in 2050 and in the monumental core planning, will be as vital to this region, if not more so, than was the McMillan Plan. We need that kind of guidance for the future.

The commission, of course, has the statutory authority to do this kind of planning, but we would obviously welcome a mandate from your committee to continue to complete these planning projects, these efforts to define and anticipate problems before they become a crisis, and to develop strategies and options to avoid critical situations in the future. We'd like to submit to you some additional information and some suggestions as to how, if you're inclined, your committee can be helpful in encouraging this.

[The information follows:]

MONUMENTAL CORE AND 2050

Under the guidance of the original L'Enfant Plan and the McMillan Commission Plan of 1901, the Nation's Capital has become one of the world's finest examples of civil art. Intricately ordered patterns of majestic public buildings, monuments, and green spaces symbolize the stedfast vitality of the American people and the constancy of the founding principles of our democratic government. Unfortunately, while a sense of beauty and history captivates the eye, other senses are beset by effects of urbanization that plague this region along with others around the world.

The beauty and dignity of this historic area are fragile. Since its fate will be largely determined by today's land use decision, that decision-making process must be more dependable than ever. We can no longer afford to plan in traditional time frames to 10, 15, and 20 years. The rate of change and technological advancement is such that developmental errors, rather than being corrected in a well-considered manner, become determinative of the patterns of the future. To keep ahead of this phenomenon, the highest priority must be accorded to an immediate effort to bring growth and history into harmony.

Past decades have added the Department of Transportation, Environmental Protection Agency, Department of Energy, Department of Health & Human Services, the Air & Space Museum and more. Tens of thousands of new employees, contractors and activities have come to the National Capital region. This realization gives us pause to reflect on how far society has advanced; how the Federal government has grown in size, functions and complexity; and the speed with which change is occurring in the nation's capital.

It is critical for the success of this region as an international center of communication and leadership that we anticipate future needs and guide growth accordingly. We must prepare in advance to meet the needs of the Federal government over the next several decades. We must envision that the Federal establishment will require in terms of facilities, transportation, energy, waste management, environment, water and other resources, telecommunications, etc. as well as how these factors will affect the way Federal employees live and work, and how the region functions. These and other issues must be addressed now. For this to be effective, long-range vision is essential. This is not a new concept in Washington. Within the context of their times, L'Enfant and McMillan had just such visionary conviction. Today's task far surpasses urban design, however. Deterioration of the old, together with intense pressure to develop the new, demand state-of-the-art, planning techniques.

To effectively respond to these issues, and to meet its responsibilities, the National Capital Planning Commission, (NCPC) is charged with identifying the requirements, pressures, needs, opportunities, and parameters which will impact the effective functioning of the Federal government in the National Capital Region to the year 2050. The objective is to anticipate conflicts, problems, and tradeoffs, while developing solutions or alternatives in time to preserve options and avoid crisis.

Since the Constitution established this city as the seat of government, it is appropriate for the Federal Government, which suffers the impact of random urbanization along with residents, business, and visitors, to take a leadership role in address-

ing the issue of informed growth in this region. Therefore, the National Capital Planning Commission, as central planning agency for the Federal Government in the National Capital Region, welcomes the endorsement of this Committee to undertake two long-range planning studies. These studies will anticipate conflicts in time to develop planning studies. These studies will anticipate conflicts in time to develop alternatives and options prior to a crisis stage such as we now face with transportation in the region.

The two studies will result in a new plan for the Monumental Core area and a flexible program of planning alternatives for the Federal establishment in this region. They will be usable through the middle of the next century, designed according to the latest technology and supported by a comprehensive up-to-date computerized network of the past events and regional data on current patterns of development. Since economical and efficient operations of the Federal Government depends largely upon the effective functioning of this region, these studies are of vital interest to the Congress. With respect both of its national treasures and to its emerging status as a world capital and global city, this Nation's Capital must set the finest possible example of aggressive planning ingenuity.

Mr. URQUHART. We have continued the planning of the Federal Center. This is a major opportunity in the Navy Yard area for the Federal Government to use land which it owns and controls to house people more cost effectively. We have done some planning to upgrade the Washington Monument area to make it more effective for visitors. The Korean War Veterans Memorial has been located in West Potomac Park.

We have done what we think is some important work at National Airport. It came to our attention about two years ago that private office development was proposed in the clear zone at the end of runway 15. Later we became aware of development at the end of the clear zone at runway 18. Both of these facilities appear to be targeted for Federal employment, to house Federal employees. We're concerned about that.

Our expertise is certainly not primarily in air navigation safety, so we have worked with FAA and, in particular, we've worked with the Airline Pilots Association, the people who, of course, fly the planes. They have advocated that no structures be built within 3,000 feet of the end of the runway as a safety concern. The third proposal is to build buildings 1,900 feet away. Both the U.S. Air Force and the Airline Pilots Association have a pretty strict rule of no structures within 3,000 feet of the end of the runway.

We think we have been successful in at least communicating these concerns, defining them, documenting them, and disseminating this information to the Federal agencies that may or may not house people in those buildings.

We have also dealt with the proliferation of large satellite antenna dishes. We're trying to encourage particularly the Federal Government not only to not cause the problem itself, but to also be a good model and a catalyst for the implementation of the smaller technology for the screening of these dishes where there is no other choice.

We also, in line with our general objective of being more proactive, are encouraging the development of a Government-wide satellite dish policy. We would like to see the development of a kind of remote antenna form somewhere that isn't objectionable, probably with many fiber optic loops and links that Federal agencies, and perhaps others, could connect into so we could have a multiple use of these facilities so every building doesn't end up with a couple of satellite dishes because they are unsightly, and they're expensive.

It's an expense that we think we can save the Federal Government money by not duplicating.

We are one of only 13 Federal agencies, we are very pleased to let you know, that Health and Human Services has notified us that we have met their drug-free workplace criteria, and we are proud of that.

Finally, I have waited a number of years to finally tell you that we are now in the process of printing all of the elements of the Comprehensive Plan of the National Capital Region. The legislation required that we do this jointly with the District of Columbia, and there was a requirement that we wait for their appropriation, so we printed it jointly, but that is now in process. In a very few months, we will be sending you copies of that plan finally.

That's it.

Mr. YATES. Excuse me just a moment.

Mr. URQUHART. Sure.

Mr. YATES. Okay. I'm sorry.

Mr. URQUHART. No problem. As you know, we review $3.2 billion worth of Federal capital improvements proposed in this region. Just to put our budget in perspective, our budget request of about $3.2 million is 1/10 of 1 percent of what we review just in capital improvements proposed by Federal agencies in this Maryland/Virginia/District region. If we can be efficient, save money, and avoid duplication, in just ½ of 1 percent of that budget—and we think we can do a lot better than that—that more than pays for our allocation.

Finally, the only initiative we are requesting this year is a computer-assisted design and graphic information system. This is a system which is standard in the private planning firms. We're way behind the private sector in this. What we have done up to now is simply buy these services from the outside.

We're doing this jointly with the U.S. Geological Survey. Frankly, they have created a lot of value and added a lot of effort to this joint work project. It allows us to design and plan instead of reacting. It saves us outside contractor money. It really sort of—I don't want to say it—is the state of the art. It is just the accepted standard in the planning community. We in the Federal Government are a little bit behind.

Mr. YATES. Okay. Thank you for your fine statement.

Mr. YATES. Let's talk about the FDR Memorial first. Are you working with the Park Service on construction of this memorial?

Mr. URQUHART. We have been reviewing that with the Park Service. I'd like to——

Mr. YATES. Do you have some concerns about it?

Mr. URQUHART. I'll ask Mr. Griffith to——

Mr. GRIFFITH. Not at this point. It hasn't reached the position where there is enough specificity.

Mr. YATES. Is there some problem with the joggers objecting to the location of the memorial?

Mr. GRIFFITH. No. I think it has more to do with what the memorial will actually be, not so much it's location as the design.

Mr. YATES. Who is objecting to that?

Mr. GRIFFITH. It's not so much an objection as it is a difference in concept between the original designer and the family.

Mr. YATES. I thought all of that had been ironed out.

Mr. GRIFFITH. Most of it has, but I don't think it all has.

Mr. YATES. Really?

Mr. GRIFFITH. I will doublecheck that and give you the information for the record.

Mr. YATES. All right. They are going to come in and testify, so we can find out from that.

[The information follows:]

FRANKLIN DELANO ROOSEVELT MEMORIAL

Public Law 97-224, signed on July 28, 1982, directed the Secretary of the Interior, subject to the supervision and approval of the Franklin Delano Roosevelt Memorial Commission, to proceed with the construction of a memorial to President Roosevelt in accordance with the general design approved by the Commission of Fine Arts on September 20, 1979. Previously, on June 30, 1975, the National Capital Planning Commission had endorsed development concepts for the memorial. On May 4, 1978, the Planning Commission reviewed more detailed plans for the memorial, but, because an Environmental Impact Statement had then been initiated, the Commission was precluded from taking formal action. However, as the Chairman of the Planning Commission advised the Chairman of the U.S. Senate Committee on Rules and Administration on July 24, 1978, the members of the Commission had reacted very favorably to the plans presented on May 4. At the time of September 20, 1979, action by the Commission of Fine Arts, the Environmental Impact Statement was still under preparation, and action by the Planning Commission was precluded.

"Final preliminary" plans for the memorial were completed in 1984. We understand that funds are now available in the FY 1990 budget for detailed construction drawings and specifications. The National Park Service has indicated that these detailed plans will be coordinated closely with the Commission as work on them proceeds.

Mr. YATES. Last November you approved the design concept for ICTC. You withheld your judgment on the architectural treatment of the facades. Have your concerns been addressed?

Mr. URQUHART. Architecturally, yes, I believe that they have.

Mr. YATES. All right.

Mr. URQUHART. Let me doublecheck that.

Mr. YATES. Have you concluded that it is compatible with the surrounding historical buildings?

Mr. GRIFFITH. In concept it will be. The designs that we've looked at would be. We won't really know, sir, until the winner of the competition comes in with their preliminary design.

Mr. YATES. That's true. What about the parking problem?

Mr. GRIFFITH. The parking problem still exists. They have removed something like 1,900 spaces, and they are replacing them. In between the replacement and the added number of employees there will be a parking problem. PADC and GSA are looking at alternatives to solve that, including the possibility of more remote parking.

Mr. URQUHART. The core issue, of course, is to go down another floor and add more basement-level parking. You get below the water level and you have massive expense.

Mr. YATES. That's true. You have to worry about the traffic problem when they come out, too.

Mr. URQUHART. Exactly. It's about $35,000 per parking space.

Mr. YATES. All right. Last year you told us you were going to move. You haven't moved yet. What happened?

Mr. URQUHART. We haven't moved. We must move because the building we are in is not fire sprinkled. There has been some nego-

tiation by the landlord to see if they would provide sprinklers; they will not. GSA indicated to us that we must move because it doesn't meet their safety requirements.

Mr. YATES. How many more years are you going to take before you move?

Mr. GRIFFITH. We expect to be moved by September of 1990.

Mr. YATES. Okay.

Mr. GRIFFITH. GSA has identified four locations. They have narrowed it down to four which we think meet our needs.

Mr. YATES. Are you staffed up to your full strength in the 1991 budget level?

Mr. GRIFFITH. Yes, sir, we are.

Mr. YATES. You are. Okay.

Mr. URQUHART. Of course, sir, it always depends on full strength compared to what. [Laughter.]

We're down to one person in many functional areas.

Mr. YATES. Do you have enough money in your budget for your salaries?

Mr. GRIFFITH. Uhmm . . .

Mr. YATES. Well, I guess that answers it for us.

Mr. GRIFFITH. Not really. We thought we did, but as a result of some later information which Ms. Harshaw can give you—I would like Ms. Harshaw to give you the specifics of that, but we do have a problem.

Ms. HARSHAW. Yes, we do have a problem. We anticipated being something other than full strength when we went into 1991. Right now we are at full strength, and we're finding out that we miscalculated. There was a gross miscalculation. We have talked to the Office of Management and Budget to let them know that we don't think that we're going to have enough money for salaries and expenses to carry us through 1991.

Mr. YATES. How much of a shortfall do you think you'll have?

Ms. HARSHAW. We're talking about anywhere from $180,000 to $200,000. That should allow us to squeak by.

Mr. URQUHART. And that is not an addition. That is just a calculation error.

Ms. HARSHAW. That's right.

Mr. YATES. All right.

Ms. HARSHAW. Some of that, Mr. Yates, is for an SES raise that has come through. That will happen in 1991, and we have notified OMB that that wasn't included in our September request.

Mr. YATES. Okay. I hope they're sympathetic.

Ms. HARSHAW. I hope so, too.

Mr. YATES. We all hope so. Usually, they're not, however. Okay. We're going to have some questions for the record, and we appreciate your coming in. Thank you very much.

Mr. URQUHART. Okay. We'd like to send some more information, if we may.

Thank you.

[Questions and answers for the record follow:]

QUESTIONS AND ANSWERS FOR THE RECORD

MONUMENTAL CORE PLAN

QUESTION

When do you expect to hold public hearings on your Monumental Core Plan?

ANSWER

We expect to initiate public meetings and discussions in the fall and winter of 1990 on concepts and alternative plans for the Monumental Core prepared with the cooperation of affected Federal agencies and the assistance of advisory groups. These meetings will generate comments and reactions to different possible directions the final plan for this important and historic area could take. Based on these reactions a final plan will be formulated.

QUESTION

What's the target date for completion of the plan?

ANSWER

Currently we anticipate that Commission adoption of a Plan could occur in the winter of 1991 or early 1992. However it is difficult to assess the time required for the public participation process necessary prior to Commission adoption of the Plan given the complexity and great national and local interest in this most important area.

QUESTION

What alternative concepts are you considering?

ANSWER

The Commission is currently considering a broad range of approaches and concepts including the continuation of current trends, examination of the maximum and optimum development capacity of the Core, as well as the feasibility of dispersing certain activities from the Core. As our work progresses we expect the range of alternatives to narrow.

SOUTHEAST FEDERAL CENTER

QUESTION

On page 11 of your budget justification you say you modified your Comprehensive Plan to permit agency principal offices to locate in the Southeast Federal Center. What modifications were necessary?

ANSWER

It was necessary to modify the locational criteria for Executive Branch Administrative Facilities, contained in the Federal Facilities element of the Comprehensive Plan, to permit the principal offices of cabinet-level departments and independent agencies and commissions to locate in the Southeast Federal Center, which is located outside the Central Employment Area, an area encompassing the District's commercial core.

QUESTION

What agencies will be moving to the Southeast Federal Center?

ANSWER

The General Services Administration (GSA) has indicated that it plans to develop the Southeast Federal Center into a revitalized mixed-use area, combining Federal offices, commercial retail uses and open green spaces for Federal workers and the general public. GSA has indicated that the Southeast Federal Center is its preferred location for the consolidation of the Environmental Protection Agency (EPA), which is presently located in three leased buildings. A structure containing 1,400,000 square feet of space will be required to house the EPA. GSA also plans to construct a 700,000 square-foot building in the Southeast Federal Center to consolidate its own headquarters operations, presently housed in three separate government-owned buildings.

NCPC MOVE

QUESTION

How do you know there will be enough money in your budget request for rental payments at your new location?

ANSWER

Based on current information received from the General Services Administration (GSA), we know that $445,000 will not be enough for rental payments at the new location. Even though the new location has not been selected, GSA anticipates a new lease in any of the four possible locations will be for a per square foot rental rate in the lower thirties. At a per square foot rental rate of $32.00 for 16,485 square feet, we estimate new rental costs to be at least $527,520 per year.

QUESTION

On what did you base your budget estimate for rent?

ANSWER

The budget estimate for rent was based on the following information received from GSA data as of March 15, 1989 for our present location.

Type of Space	Sq. Ft. Assigned Space	Number of Work Stations	Avg Sq. Ft. per Wk/ Station	Annual Rate Sq. Ft.	Estimated Rent Amount
Office	14,835	58	255	$26.47	$392,682
Conf/ Trng	1,650			31.50	51,975
Total	16,485				$444,657

STAFFING

QUESTION

The authorized staffing for NCPC is 50 FTEs. In FY 1989 you used 41 FTEs at an average FTE cost of about $49,000. In looking at the amount of money you have for salaries in your FY 1991 budget request, it doesn't look like you could pay for 50 FTEs.

How many FTEs do you estimate you will use this year?

ANSWER

We expect to fully utilize our 50 allotted FTEs.

QUESTION

How much would you need above the current request to have enough money to cover the 1989 and 1990 pay raises, and other salary and benefits inflation, for a full 50 FTEs in FY 1991?

ANSWER

We will need an additional $180,000 to $200,000 to cover salaries and expenses, SES pay raises, and benefits for 50 FTEs in fiscal year 1991.

GEOGRAPHIC INFORMATION SYSTEM

QUESTION

You propose to spend $150,000 on a new Geographic Information System for three dimensional computer-assisted design of maps and drawings. Why do you need this system?

ANSWER

The proposed computer system will provide the Commission the capability to more effectively use the continually increasing amounts of computer generated planning data and information and relate it to its geographic distribution in the region. There are several applications among which are use in analyzing the impacts of Federal plans on the traffic network and the environment; more accurate and faster evaluation of visual and design implications of long range planning and project proposals; the preparation of three-dimensional computer models for key Federal areas, such as the Monumental Core, to depict and simulate development and design plans; and to test the long range visual impacts of project proposals on their surroundings.

Geographic information files will be developed covering Federal property, employment, building space and related information for the entire National Capital Region in a form that facilitates ready revision, quick reference and cross referencing, and incorporation in maps and studies. Base maps, perspective drawings and three dimensional studies will be prepared more quickly and efficiently, enhancing the Commissions analytical and plan preparation capabilities.

QUESTION

What specifically will you buy with the $150,000 requested in the budget?

ANSWER

The proposed system work station will include one RT/personal computer with a 19" VGA monitor, AIX Operating System, and basic software to operate system ($30,410), two smaller personal computers with math co-processors, VGA monitors with mouse and graphics capability ($6,500), two color plotters ($5,000 each), two digitizers ($3,800 each), a color laser printer ($15,000) and a scanner for scanning existing maps up to 36 inches wide ($12,500). We will also need a high speed link between USGS and NCPC for transfer of information to USGS and downloading information to Personal computers at the NCPC. Estimates for this link are less than $250.

The software will primarily consist of programs for geographic information data processing, for three dimensional computer assisted design and drafting, and for linkages between these programs. Software for the RT/PC workstation will consists primarily of a three-dimensional modelling package, a two-dimensional modelling package, architectural information package, and a mapping package ($15,000). Three-dimensional and two-dimensional modelling packages that fit the purpose of the NCPC are not off-the-shelf items, the programs must be developed and tailored to bring data into the system to interpret federal planning.

The remaining funds ($57,750) will be used for digitizing to convert the most important base maps to a computer format, and to train and develop local NCPC staff to operate the selected system.

QUESTION

Do you anticipate you will need additional funds for systems implementation beyond the $150,000? If so, how much?

ANSWER

We believe we can implement the system for $150,000 based on our survey of available hardware and software. As we become proficient in the system's use we expect to provide any necessary enhancements through our regular budget.

QUESTION

What will be the annual operating cost of the system?

ANSWER

Operating costs for this system is roughly 10% of the purchase price. The system, after its initial installations, will require regular costs associated with computer operation and maintenance, supplies and drafting materials.

QUESTION

The USGS has helped you develop the specifications for the system. Why couldn't you run your system on the USGS computer instead of buying your own computer hardware as proposed in the budget?

ANSWER

The USGS has made available its excellent resources, both in knowledge and equipment to the Commission in a cooperative effort to assist in developing specifications for a GIS-CAD system that would best meet the Commission's needs. We will be using the USGS computer with the assistance of high speed linking from the proposed workstation to the main computer at the USGS. The USGS staff has advised us that its resources are not available on a long term or permanent basis since USGS does not have excess computer capacity to offer other agencies. Demand for computer time and capacity is very great among the numerous departments and divisions with the USGS. Even if available, computer time and capacity when the Commission would require it could not be guaranteed which would cause serious delays and inconvenience in the Commission's work. We can use some of what the USGS has for high end processing and the more sophisticated use. Even using the computers at the USGS, we will require a local workstation to be able to readily access the information needed. Because the NCPC will require daily use, running all of our programs on the USGS computer would put USGS in a holding pattern.

QUESTION

If you were to use the USGS computer, how much money would you save on computer purchases?

ANSWER

Even with a computer linkage with USGS, a work station would still be required at the Commission offices to receive, send, process and work with the data. The USGS facility would in effect serve as a memory bank to store the data and would provide the needed expertise in moving data from one format to another. Savings in terms of the memory/storage capability and expertise in data manipulation portions of the system are roughly estimated at about ten percent or less of the cost of the system.

QUESTION

What would the annual operating cost of the system be if it were run on the USGS computer?

ANSWER

The operating cost would be similar to the cost of operating the system entirely at the Commission since the required staff, equipment and materials would be similar in each case except that additional telephone linkage fees would be involved and a user-fee levied by the USGS for computer time. Linking to USGS requires a fair amount of work and requires a much higher speed moving data.

QUESTION

You propose to use the services of "experts and consultants" for this project. Why are you hiring a consultant for this project rather than a competitively awarded systems design contract?

ANSWER

Of the $150,000 requested for this initiative, only $57,750 will be used for "experts and consultants". As mentioned previously, the remainder of the $150,000 will be used to purchase hardware and software and therefore is incorrectly categorized in the budget justification. The "experts and consultants" portion will be used for developing custom software with the assistance of the USGS. At the present time three-dimensional and two-dimensional modelling that fits the needs of the Commission are not off-the-shelf packages and must be further developed to meet the needs of the Commission. We are interested in the advice of experts in this field so that we will be prevented from buying a whole assortment of hardware and software which may or may not be needed to accomplish basic CAD/GIS tasks. The remainder of the funds will be assist us in gearing up and building in-house capability to use these tools.

QUESTION

If you are planning the competitive award of a systems design and implementation contract, why is it categorized in the budget as consultant services?

ANSWER

The $150,000 is incorrectly categorized in the budget justification as consultant services. The amount which will be obligated under consultant services is the amount that will be spent for digitizing selected maps and training the local staff to use the CAD/GIS system. This amount will not exceed $57,750.

FY 1989 ACTUAL COSTS VS. FY 1991 REQUEST

QUESTION

In several areas, the request for FY 1991 is substantially less than you show on page 6 of the budget justification as actually spent in FY 1989. You spent $45,000 for travel in FY 1989 and are only asking for $20,000 in FY 1991. Is that enough? Please explain.

ANSWER

Our original request to OMB in September for travel was for $30,000. The request was reduced $10,000 which was associated with our 2050 project. During FY 1989, we began working with the Massachusetts Institute of Technology on the 2050 project. This project involved very close coordination with the Commission. The Executive Director was instructed by the Office of Government Ethics to accept nothing from the MIT in return for his participating in this joint venture. As a result, the agency assumed all travel costs.

QUESTION

In FY 1989 your printing costs were $62,000 but only $33,000 is budgeted for FY 1991. How can you afford to make this reduction?

ANSWER

During fiscal year 1989, the Federal Capital Improvements Program (FCIP) was reprinted, additional funds were needed to cover the completion of printing the Comprehensive Plan, and brochures were printed for the 2050 project. In FY 1990 we anticipate normal printing costs. We will not reprint any elements of the Comprehensive Plan during FY 1991.

QUESTION

Supplies cost you $45,000 in FY 1989. In FY 1991 you are asking for $26,000. How is that enough?

ANSWER

The increase in supplies is largely due to the purchases withheld during the prior fiscal year because of lack of funds. During FY 1989, we also purchased

several personal computers (equipment), which resulted in the purchase of computer supplies for each operator and work station. We do not anticipate a similar freeze on supply purchases this fiscal year which will need to be carried over into FY 1991.

QUESTION

Equipment purchases came to $93,000 in FY 1989 and you request $17,000 in FY 1991. What equipment did you buy in FY 1989 that you won't need to purchase in 1991?

ANSWER

As part of our modernization, we purchased several personal computers, printers, and software. We also purchased ergonomically designed office furniture for some of the computer work stations to create a safer work environment.

QUESTION

What will you buy with the $17,000 requested for equipment in FY 1991?

ANSWER

Equipment purchases will be limited to minor hardware modifications needed for existing personal computers. No major equipment purchases are planned for FY 1991.

EXPERTS AND CONSULTANTS

QUESTION

You have requested $197,000 for consultant services in FY 1991. Of that amount $150,000 is for your geographic information system initiative. What will you do with the remaining $47,000.

ANSWER

With the remaining funds, several operating programs will be supported. We plan to bring in auditors to review fiscal operations in order to comply with the Inspector General Act Amendments of 1988; we will need to pay costs associated with implementing the Drug-Free Workplace Plan to certifying/testing laboratories; during the fiscal year, we expect to incur several costs associated with supplementing the staff in special studies such as updating the Federal employment forecasts as input into the Round 5 Coordinated Population and Economic (Cooperative) Forecasting Program of the Metropolitan Washington Council of Governments; we will be completing the urban design and traffic studies for a proposed sector plan of the Monumental Core; and as we have in the past, we will be focusing this spring on recent concerns of the National Park Service that Elm trees in parts of the city are again falling victim to the Dutch Elm disease. These efforts will require supplementing staff resources.

QUESTION

Will you have to terminate any work currently underway, assuming the current budget request for consultant services? If so, please provide details.

ANSWER

No.

QUESTION

How did you spend the $84,000 you had in FY 1989 for consultant services?

ANSWER

Consultant services for FY 1989 consisted of the following:

STERLING INFORMATION SYSTEMS (10.7K) - To identify and assist NCPC in the acquisition of computer equipment hardware and software as well as to provide training in applications as needed.

MASSACHUSETTS INSTITUTE OF TECHNOLOGY ($66.2K) - To develop a prospectus outlining how the federal government in the National Capital Region will function in the year 2050, and initiate startup tasks required for the project. The total project is being conducted in three stages: (1) identification of issues in the form of themes; (2) reconciliation and correlation of those issues and undertaking of further research as required; and (3) articulation of projections, visions and planning principles.

TELECOM APPLICATIONS CORPORATION ($4K) - To provide consulting services on an as needed basis regarding telecommunications matters relating to Federal developments in the Washington Metropolitan area.

ELIZABETH LANGER, BOASBERG & NORTON ($1K) - To provide professional services regarding an employment discrimination complaint.

BERT SILVER ($100) - To provide expert investigation services for a discrimination complaint.

NATIONAL HELICOPTER ($2K) - To obtain a series of low-oblique aerial photographs of the Monumental Core of Washington, DC. Photographs were made of each precinct within the Core to aid in the preparation of the Monumental Core Sector Plan.

QUESTION

How will you spend the $110,000 budgeted for FY 1990?

ANSWER

The mapping initiative approved in last year's budget will cost approximately $50,000. The remainder of the $110,000, which is approximately $60,000, will be spent for several staff support services: (1) hiring a professional writer to prepare script which will accompany slide presentation for the Monumental Core project; (2) expert services of auditors for a required annual report under the Inspector General Act Amendments of 1988; (3) expert services of certified drug testing laboratories and a Medical Review Officer in the implementation of our Drug-Free Workplace Plan; and (4) from time to time during the budget year expert consultants to supplement staff resources in undertaking special studies.

TUESDAY, MARCH 13, 1990.

PENNSYLVANIA AVENUE DEVELOPMENT CORP.

WITNESSES

RICHARD A. HAUSER, CHAIRMAN
M.J. BRODIE, EXECUTIVE DIRECTOR
ALEXANDER K. MILIN, DIRECTOR OF FINANCE, PENNSYLVANIA AVENUE DEVELOPMENT CORP.

Mr. AUCOIN. We'll move now to the Pennsylvania Avenue Development Corporation. Richard Hauser, chairman; M.J. Brodie, executive director; and Al Milin, director of finance. Welcome to the committee.

Mr. HAUSER. Thank you, sir. Good morning, Mr. Chairman.

Mr. AUCOIN. Your statement will be included in the record in its entirety. If you'd like to summarize, that would be helpful in meeting our time demands today.

Mr. HAUSER. That is my intent.

Mr. AUCOIN. Please proceed.

FEDERAL OFFICE/ICTC PROJECT

Mr. HAUSER. Mr. Milin is setting up some renderings of our ICTC project.

Mr. AUCOIN. What is that big thing?

Mr. HAUSER. This is the design for the recently-selected developer for the International Cultural Trade Center Federal office building project.

Mr. AUCOIN. Where would that be located?

Mr. HAUSER. That's at 14th and Pennsylvania Avenue. The 14th Street building is in the lower left corner.

Mr. AUCOIN. That's in the Federal Triangle?

Mr. HAUSER. This will complete the Federal Triangle.

Mr. BRODIE. This is Pennsylvania, 14th. This is the Old Post Office. This is currently an 11-acre parking lot.

Mr. AUCOIN. That building would cover 11 acres?

Mr. HAUSER. Yes, sir.

Mr. BRODIE. You have about three acres of open space. It fools you because——

Mr. AUCOIN. That has to be one of the largest buildings in the city.

Mr. BRODIE. Not the largest.

Mr. AUCOIN. What building is larger?

Mr. BRODIE. The Pentagon.

Mr. AUCOIN. That's not in the city. Only the Pentagon is larger? My, that's breathtaking.

Mr. HAUSER. It is. It's enormous. It's a monumental project.

Mr. AUCOIN. There is another view of it?

Mr. BRODIE. Another view taken slightly from the air looking at Pennsylvania and 13th into this open space with the District Building being here and the Commerce Building being here. Commerce, by comparison, is about a million square feet, although of the 3.1 million that we've mentioned here, about 1.8 is above ground, and the rest is below ground, so a good deal of the building is invisible.

Mr. AUCOIN. This will be used for what purpose?

Mr. HAUSER. It will have multiple purposes. It is primarily a Federal office building, but the centerpiece of the project, as really directed by Congress in the Federal Triangle Act, is the creation of the International and Cultural Trade Center Commission. It will house permanent exhibits. It will have performing arts theaters, 1,500 seats, a smaller performing arts theater, retail——

Mr. AUCOIN. Any foreign embassies?

Mr. HAUSER. We hope to have—there will be foreign embassies and chanceries located——

Mr. AUCOIN. In the building?

Mr. HAUSER. Yes. Plus there will be an effort to bring together in one spot, as the ICTC Commission calls it, a one-stop center for U.S. businessmen doing business abroad, so that they can get necessary licenses and permits, ask questions for improving our trade balance, etc.

OPENING STATEMENT

Mr. AUCOIN. Well, I'll let you make your statement. Your complete statement will be made part of the record.

[The prepared statement of Mr. Hauser follows:]

Statement of Richard A. Hauser
Chairman, Pennsylvania Avenue Development Corporation

before the

House Appropriations Subcommittee on Interior and Related Agencies

March 13, 1990

Thank you for inviting me to be here this morning, Mr. Chairman, to present the Pennsylvania Avenue Development Corporation's FY 1991 budget request.

Joining me at the witness table this morning are the Corporation's executive director, M. J. Brodie, and financial manager, Al Milin, who are prepared to answer any technical questions you or members of the Subcommittee may have.

The PADC's FY 1991 budget request totals $12,170,000. Similar to last year, the Corporation is requesting budget authority for land acquisition, public area improvements, and staff salaries and administrative expenses. Unlike FY 1990's request, however, this budget does not request additional budget authority for historic preservation and business relocation expenses, functions which the Corporation will carry out in FY 1991 using appropriations from prior years.

The largest dollar component of the $12.17 million budget request is the $5 million borrowing authority for land acquisition and development. This request is necessary for the same reasons set forth in our FY 1990 budget: to ensure that development proceeds on Square 406 on a comprehensive and timely basis. PADC's FY 1990 request for land acquisition was reduced in conference committee and thereafter virtually eliminated by a transfer of funds to assist the President's anti-drug initiative. Appropriation of $5 million for land acquisition in FY 1991 will provide the Corporation with a minimum capacity to act as a catalyst in the development of Square 406.

The development anticipated for Square 406 is akin to the Willard, National Place and Lansburgh's projects, on Squares 225, 254, and 431, respectively. In each case, PADC's financial intervention produced innovative, mixed-use projects that would not have occurred without our use of land acquisition funds received through the appropriation process.

The next largest component of the overall budget request is $4,705,000 for Public Development or, more specifically, public improvements. Approximately three-fourths of this amount will enable the Corporation to meaningfully improve the sidewalks and existing plaza situated south of the Portrait Gallery and the various sidewalk areas north of Pennsylvania Avenue along 7th and 8th Streets. Here, where approximately 1,000 residential units are under construction or committed, where at least 200 more residences are planned, and where an existing but fragile arts community is being nurtured, there is a need to construct quality public improvements to complement the private development projects in which millions of dollars are being invested. The surrounding environment contributes significantly to the marketability and financial success of a development project, and from experience we know that PADC's investment in public improvements along Pennsylvania Avenue has stimulated high-quality development on the adjacent squares.

The remaining one-fourth of the $4,705,000 public improvements' request is needed for contracting with construction management, civil engineering, and landscape architectural firms to assist the staff's efforts in implementing public improvements, as well as for renewed landscaping and repairs to parks and plazas the Corporation has constructed in the past.

The final element of the Corporation's FY 1991 budget is a salaries and administrative expenses request of $2,465,000. This amount is necessary to fund the payroll cost of 28 employees and for necessary administrative expenses such as office space rent, printing, supplies, and contracts. The staff size of 28 employees is two less than that approved for FY 1990.

In addition to the activities and expenses for which we request $12,170,000 for FY 1991, PADC will be continuing to carry out its responsibilities under the Federal Triangle Development Act. This legislation, enacted in 1987, provided PADC with $4.5 million to prepare a development proposal for the undeveloped eleven acre site in the Federal Triangle; to select a developer for the site after receiving Congressional approval of the proposal; and to manage the development process through construction -- until the Federal Government accepts occupancy of the 3.1 million square foot complex. We are well on our way in bringing this project to reality. Having completed the development proposal and received Congressional approval in September 1988, the Corporation staged a national competition during the past year, and selected in October, 1989, a design and a development team from among seven high-quality proposals. The Corporation is working with this team, the Delta Partnership, to bring about the start of construction of this project in calendar 1990 and project completion in calendar 1994. However, in order for progress on this important project to be continued in FY 1991, additional funds are needed for PADC staff and consultant

contracts -- although these funds are not included in the budget request before you. To this end, the Office of Management and Budget has directed the General Services Administration to include an amount in its FY 1991 budget request to cover such expenses, and upon enactment transfer this amount to PADC in FY 1991.

In the last year, as the Corporation re-evaluated its detailed schedule for the completion of each square and public improvement project, it became clear that the implementation of the Pennsylvania Avenue Plan will require continued effort through 1994. Even without the major work involved with the Federal Triangle project, the square development projects PADC is managing will require that amount of time. Accordingly, new authorization for salaries and expenses for fiscal year 1993 and 1994 is needed; with the approval of the Office of Management and Budget, PADC transmitted recently a draft bill to the Congress which addresses this need for an extension.

In summary, the FY 1991 budget request before the Subcommittee will enable PADC to produce Square 406's development in a manner consistent with the Pennsylvania Avenue Plan, provide quality public improvements already planned for the public spaces north of Pennsylvania Avenue, and provide adequate funds for the payroll and administrative expenses of a staff of 28 employees. I recommend the Subcommittee's approval of the full $12,170,000 requested.

Mr. HAUSER. This is not the focus of my testimony today, but it is such an important project that we wanted to share it with you.

As indicated, Mr. Chairman, I will submit my statement for the record and give the highlights of it. As a preview to that, I would like to say that we have, since my last appearance here, which was my first appearance, last year, we have made substantial progress on the Avenue. If you have a moment from your legislative duties to walk along the Avenue or to take a ride, I would encourage you to do so to see what has happened along the Avenue. Let me share with you a map of——

Mr. AUCOIN. Did you invite me to go up and down the Avenue?

Mr. HAUSER. Well, we think——

Mr. AUCOIN. I've broken my chassis on my car on the lumps and bumps and potholes in the Avenue. When are you going to do to streamline that and make it smoother? [Laughter.]

Mr. HAUSER. Well, we hope to provide some very smooth walkways as a result of this budget hearing and appropriations hearing this morning.

Mr. AUCOIN. I set you up on that one.

Mr. HAUSER. With the development in the western end of our area, and nearly complete as you can see from that small map that I just gave you, we are concentrating our efforts now really on the eastern part between 6th and 9th Street where we have an emerging residential neighborhood.

The Market Plaza, Pennsylvania Plaza, and Lansburgh developments, all contain substantial housing, are under construction, and the first residents are expected to move in this year. This will complement much of the new office space, shops, art galleries, and theaters. The Lansburgh building will have a 480-seat theater, hoping to fulfill the Congress' and PADC's vision.

RESIDENTIAL HOUSING

Mr. AUCOIN. What kind of housing is that?

Mr. HAUSER. This will be both rental housing and condominium housing. It will not be inexpensive.

Mr. AUCOIN. Pardon me?

Mr. HAUSER. It will not be inexpensive.

Mr. AUCOIN. How expensive will it be?

Mr. HAUSER. Well, I don't think it has all been priced. I have heard from the developer that in Market Square the cost is in the neighborhood of $2.00 a square foot per month for rent. I think on the purchase side, if they have costed it, it's probably in excess of $200.00 a square foot.

Mr. AUCOIN. Of course, people don't rent a square foot. What's the average size of the apartments?

Mr. HAUSER. Mr. Brodie indicates a one-bedroom is 800 to 900 square feet.

Mr. AUCOIN. So $1,600 a month?

Mr. HAUSER. At least.

Mr. AUCOIN. Minimum.

Mr. HAUSER. I would say so, yes, sir.

Mr. AUCOIN. Well, you're right. That's not moderate income housing.

Mr. HAUSER. No, it's not.

Mr. AUCOIN. Is that good?

Mr. HAUSER. But it's very special housing, and we think it is needed. It's the only kind of housing that's economically feasible in this area.

Mr. AUCOIN. It's not feasible to get a mix?

Mr. HAUSER. Well, we have attempted to get as much housing as we can in these projects. We have competing social goals as we try to develop these squares for the historic significance and the housing.

Mr. AUCOIN. Is there a shortage of rental housing in the $1,600 a month minimum range for one-bedroom apartments in the city in your judgment?

Mr. HAUSER. I can't answer that question. I can say that there was some concern on the part of the developers that any kind of housing would be uneconomic in this area. I think that as a result of the neighborhood coming together and being able to sense what it would be like to live there, that some of their concerns are now abated.

Mr. AUCOIN. I can understand why at those prices. The concern of the developer about making some money on that housing would be abated.

Mr. HAUSER. Well, their concern has been abated, but it is only because of the sufficient demand for it that apparently is there.

Mr. AUCOIN. Well, is it demand, or is it just displacement of—redirection of that high income rental demand from other parts of the city to this location? My understanding is that moderate income rental housing is very, very tight. This doesn't make much of a contribution to alleviating that?

Mr. HAUSER. Well, I don't know if it will alleviate that. One thing it will do is provide housing which does not exist in that area.

Mr. AUCOIN. In this zone.

Mr. HAUSER. That's correct. For that reason we think it is a significant improvement to the vitality and vibrance of downtown Washington, which is——

Mr. AUCOIN. Why couldn't you plus up the rents in some apartments and lower the rents on others to get at least some in the moderate-income range?

Mr. HAUSER. Well, we have not tried to——

Mr. AUCOIN. Why couldn't the developer do that?

Mr. HAUSER. Well, the developer is free to set the rents as they see fit. Our requirement is——

Mr. AUCOIN. He wouldn't be there without you, would he?

Mr. HAUSER. Well, he wouldn't have housing without us, period. So we think that——

MODERATE INCOME HOUSING

Mr. AUCOIN. Who do we turn to to get moderate-income housing?

Mr. HAUSER. I think that the market forces are going to dictate what the rentals are and what the prices are for the units.

Mr. AUCOIN. The law of the jungle?

Mr. HAUSER. I wouldn't call it the law of the jungle. I would say that the market will do it.

Mr. AUCOIN. Your whole reason for being is to induce and make attractive a variety of kinds of development without which some of that development would not take place.

Mr. HAUSER. That's true.

Mr. AUCOIN. You provide favorable terms and conditions in which the development does take place in this significant area of the city.

Mr. HAUSER. Well, we——

Mr. AUCOIN. Given that, why not extract some commitment from the developer for moderate-income housing?

Mr. HAUSER. As I say, what we have done—we pressure the developers as hard as we can for the inclusion of housing. We continue to do that for some squares that we have under consideration right now.

Mr. AUCOIN. And you had to say "uncle" about the $1,600 a month——

Mr. HAUSER. Well, we have not set those prices. We say we want a minimum number of units, or we want a minimum number of square feet allocated to housing. It's up to the developer to make that work. We're not a rent control organization. We are attempting to bring housing to——

Mr. AUCOIN. I'm not talking about controlling rents. I'm talking about setting starting points for rents.

Mr. HAUSER. Well, that——

Mr. AUCOIN. Do you have other conditions that you stipulate on other kinds of developments that are specific in nature in terms of the standards that the developers have to reach?

Mr. HAUSER. We have a number of restrictions to satisfy the Pennsylvania Avenue Plan, both from an aesthetic and massing requirements. We also have historic concerns for a number of the properties in that area, all of which affect the economics of the development.

Mr. AUCOIN. So you lay down rules for the developers to follow in those respects?

Mr. HAUSER. As well as housing, but we don't set the price. We do know, from our own internal costing when you approach these developments, what the give and take is. If you have more housing, you reduce the commercial element—raising concern about the viability of a project and what the cost to the taxpayers is. For us to put a housing requirement in, per se, it costs the taxpayers dollars.

Mr. AUCOIN. I congratulate you for pushing to get housing included, but is it beyond your authority to require a developer to come in and to say to the developer, "We not only want housing here, but we want a percentage to be moderate-income housing," and let him figure out how he prices the rest of the units in order to make those moderate-income units pay out as part of the aggregate? Is that beyond your authority?

Mr. HAUSER. I think the board—Jay, you may want to correct me—does have authority to impose that in criteria for development. Some of the projects in the district, of course, within our district, are owned privately. For those, we have design responsibil-

ities for ensuring compliance with the Act and our own plan. For others, we may impose criteria in our development prospectus that is mailed out.

Mr. AUCOIN. So you could incorporate the criteria?

Mr. HAUSER. Right. Although I must say that we have not, to my knowledge, at least while I've been on board, had a great push from any segment of the community for housing other than the type we're putting in or for more housing. It is more housing, period, that there seems to be a desire for. While there is a desire, I think there is a recognition that housing is harder to achieve in this area.

For example, the District is the greatest proponent of housing and moderate housing. They are planning to develop a square which is now occupied by the D.C. Employment Services building next to the Canadian Embassy. They have chosen for their own development to go commercial, so there will not be a housing requirement for that particular parcel of property.

Mr. BRODIE. Might I add a comment to Mr. Hauser's?

Mr. AUCOIN. Sure.

Mr. BRODIE. It's a good question and an interesting one, Mr. Chairman. It's a question the board, before any of us were around, discussed, both with the District and with Federal Government officials, particularly with HUD officials. The closest, for example, Federally-assisted housing to us is the Wah Luck House, which is an elderly project under Section 202 in Chinatown done about 12 to 15 years ago.

I think the PADC board's policy discussions were to try to get housing which, as Mr. Hauser pointed out, would not have been provided by any developer without pushing by us because they simply would have provided office and some minimum retail and been very happy with that.

Neither any administration at the local level nor at the Federal level, at the HUD level, has come along with subsidy money and said, "Let's use it downtown in a situation like the PADC area." I think the board's discussion along those lines was if there were subsidy dollars available, wouldn't one get the most units, help the most people, by putting those dollars not downtown, but by putting them in neighborhoods where land prices are a good deal cheaper than they are either in downtown Washington or downtown Baltimore or anywhere else?

So I think it was a subject that occupied the board at considerable length in its early days. Their conclusion was that the effort would simply be to get housing at "market" rates.

Mr. AUCOIN. You understand the drift of my questions is the use of authority you do have to lay down terms and conditions for the developers so that a percentage of the units that you would do privately, without subsidies, could be based on a moderate-income rental rate?

Mr. BRODIE. Yes.

Mr. AUCOIN. You would have to make the adjustments at a higher rate for the rest of the units. That's enough on that. I understand what you've said. You chose not to exercise the authority. Let's move on.

BUDGET HIGHLIGHTS

Mr. HAUSER. All right, sir. Let me just hit the highlights of our budget request, then, for fiscal year 1991. We are requesting $12,170,000 for public improvements, land acquisition, and salary expenses. As the subcommittee is aware, almost $5 million in borrowing authority was eliminated from PADC's budget after the House Senate Conference for the President's War on Drugs program. The 1991 budget request would be about the same level as for fiscal year 1990. You should know that it has been PADC's policy and practice to request funds only for specific projects and only when those funds are actually needed.

Because of last year's post-conference elimination of borrowing authority, PADC must once again ask for additional land acquisition borrowing authority, which is the largest component of our 1991 budget request. This money is critically needed by PADC and is to be the catalyst for the timely development of Square 406, as we have been for most of the other major projects such as the Willard and Market Square on Pennsylvania Avenue.

The next largest component of the budget request before you is $4,705,000 for public improvements. Nearly three- quarters of this amount is needed to begin comprehensive improvement of the 7th and 8th Street sidewalks and the National Portrait Gallery Plaza. We believe that attractive public areas are vital to the success of this new residential and arts community.

Also included in the public improvements program are funds for design and construction consultants essential for the public improvement programs and contracts.

Finally, $2,465,000 is needed for the salaries and administrative expenses of a 28-person staff, a staff that is two positions smaller than in fiscal year 1990.

Late last year we reevaluated our schedule for completion of the various squares and public improvement projects and concluded that it would not be possible to go out of business as we had hoped in 1992. In that regard, in late February, OMB approved and we forwarded a draft bill to the Speaker's office, which has two principal purposes. One is to increase the existing authorized level for salaries and expenses appropriations for our 1991 budget to be consistent with the budget requested. Secondly, to extend the salaries and expenses authorization through fiscal year 1994.

At the outset, we were talking a bit about the International Cultural Trade Center project and some of the renderings that we have here. Just for your information and that of the committee's, in 1989, we conducted a competition. We had seven nationally-recognized teams compete for the opportunity to develop this project. In October 1989, a developer was selected.

A period of intense negotiation followed that, and in February of this year, an agreement was signed by the developer which is now being reviewed by the GSA, and we hope to have a master lease signed by the Administrator of GSA soon.

Ground breaking on this project is expected to be in late spring of this year, and the project's completion is scheduled for late 1994. We are carrying out a full range of square development and public

improvement and historic preservation. Many public events have activities planned for 1990.

The subcommittee's approval of the $12,170,000 ensures that important land acquisition of public improvements will permit us to go forward in a timely manner.

That really hits the highlights of our testimony. Al Milin, who is our financial manager, is here to answer any detailed questions you may have about our financing, and M.J. Brodie, our executive director, is here to respond as well.

TERMINATION OF PADC

Mr. AUCOIN. When you reported to the committee last year, you reported that the corporation was scheduled to go out of existence in 1992. In this year's budget you have revised that estimate to 1994. You state that OMB will submit proposed legislation to increase the authorized appropriation level and extend the PADC authorization through fiscal year 1994.

In your opening statement, as I heard it, you indicated that a draft has been submitted to the Congress. I believe, in fact, the committee has a copy of that draft.

Mr. BRODIE. That is correct.

Mr. AUCOIN. What remains to be done that will require PADC to stay in existence for an additional two years?

Mr. HAUSER. We have——

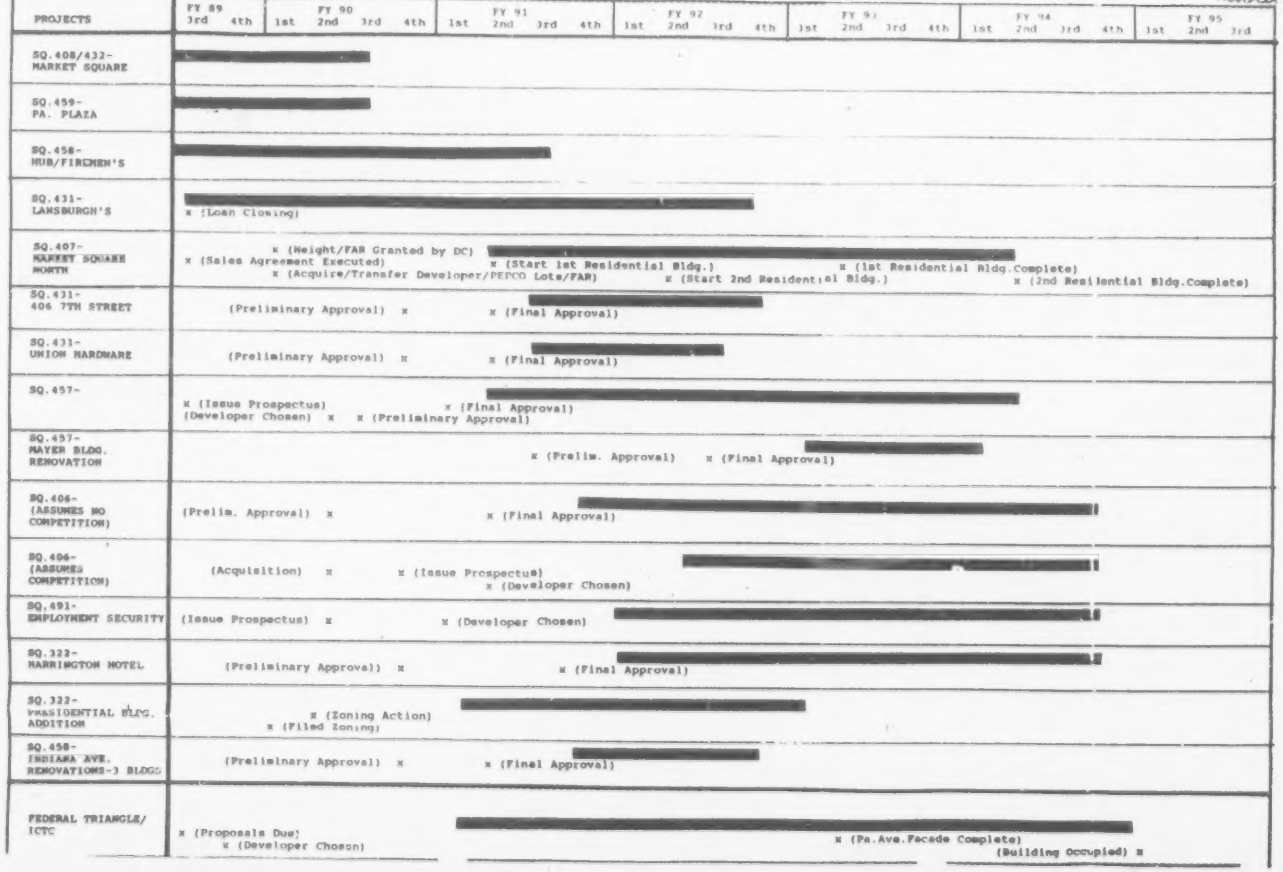
Mr. AUCOIN. You can put it in the record.

Mr. HAUSER. I will put it in the record. We have a project timeline chart which will show you the projects underway and estimated completion dates. I'd be happy to expound on that if you wish.

[The information follows:]

PROJECT TIME LINE -- START CONSTRUCTION, COMPLETE CONSTRUCTION

Revised 5/26



Mr. AuCoin. Well, in essence, what's the——

Mr. Hauser. We have projects which are either on line now or are coming on line including the ICTC project that we discussed earlier. In addition to that we have Square 457, which will be a significant and complex development on 7th Street between D and E and will be a mixed-use project also including housing. Square 406, for example, that we discussed here for which we are requesting additional borrowing authority which is, looking at your map, south of the Portrait Gallery on 9th Street. These all will require additional time. It just looks as though it would be virtually impossible to complete that within the 1992 timeframe that we had originally thought feasible.

Mr. AuCoin. Are you testifying that all of your remaining activities that do remain can be done within the 1994 timeframe?

Mr. Hauser. This is our best estimate, but I think I would be foolish to commit myself totally in that fashion, but we think it is a realistic appraisal of the status of the projects and planned projects.

INCREASED AUTHORIZATION

Mr. AuCoin. Why do you need an increase in authorized funding levels?

Mr. Hauser. Al, do you want to answer that one?

Mr. Milin. Yes.

Mr. AuCoin. You can provide the details for the record but, in essence, what is the reason?

Mr. Milin. For fiscal year 1991, our budget request for salaries and expenses is $2,465,000.

Mr. AuCoin. Salaries is one reason?

Mr. Milin. Salaries really is the only reason that we need an authorization. This year our authorized level is $2,400,000, so we're $65,000 short just for fiscal year 1991. Our authorization for salaries and expenses ceases at the end of 1992, so we——

SALARIES AND EXPENSES

Mr. AuCoin. Let me ask you about salaries. Your request for salaries and expenses comes to a 3.7 percent increase over fiscal year 1990, even though your staffing is going down. How can you justify an increase in funding for salaries when you're reducing your FTEs from 30 to 28?

Mr. Milin. I guess it depends on how pure the process of getting a final number into the President's budget is. Both last——

Mr. AuCoin. How pure is it?

Mr. Milin. Not as pure as we'd like it to be. [Laughter.]

We negotiate, as you well know, with the Office of Management and Budget on a particular figure for each line item in the salaries and expense appropriation request. Neither the 1990 number, nor the 1991 number, was the number that we had initially submitted to the Office of Management and Budget for review. When you compare the two columns, you're comparing numbers which have been revised and negotiated with OMB.

Mr. AuCoin. You end up with an increase in the aggregate?

Mr. Milin. Correct.

Mr. AuCoin. But a reduction at the——

Mr. Milin. Well, the bottom line——

Mr. AuCoin. How do you justify that?

Mr. Milin. I can only say to you that if I compute all of the salaries of all of the 27 or 28 permanent position employees that we expect to have on staff for the duration of fiscal year 1991 it will exceed the amount, in fact, that we're requesting for personnel for 1991. That basically is our justification.

The 1990 number is a number which assumes that there has been or will be turnover or staff vacancies during the course of the year which would result in savings. If there was no staff turnover, then I know our 1990 personnel number would in fact be higher than the 1991 number that we're using now.

Mr. AuCoin. So the only reason you can make it through this year with no increase is the fact that there will be vacancies.

Mr. Milin. Correct, which we have experienced, so we'll live well within our budget for 1990. But for 1991, with the staff going down by two positions, we have no foreknowledge that we will have any turnover. There have been years in the past that have been like that in which we have had virtually no turnover at all, so this is a full employment budget for 1991 that we're presenting you with.

Mr. AuCoin. Well, how can you be sure you won't have attrition or a big turnover next year?

Mr. Milin. We don't know that.

Mr. AuCoin. So a 3.7 percent increase is suspect?

Mr. Milin. It is, if you'd like to put it that way. As I say, again, I can provide for the committee a list of all of the employees that we expect to have with their salaries and get——

Mr. AuCoin. I want the details for the record.

Mr. Milin. I would be glad to give that to you.

[The information follows:]

Salaries of permanent position staff Pennsylvania Avenue Development Corp.—fiscal year 1991

	Annual salary
Executive director:	
1. Executive director	78,200
2. Secretary, GS–9	26,097
3. Corporate affairs director, GS–14	55,873
4. Public affairs specialist, GS–9	27,177
5. Public affairs specialist, GS–7	24,704
Finance and administration:	
6. Director, GM–15	76,277
7. Accounting officer, GM–14	55,737
8. Accountant, GS–11	38,855
9. Administrative officer, GM–13	55,381
10. Administrative officer, GS–11	38,855
11. Management assistant, GS–7	25,579
12. Receptionist, GS–5	17,838
Public improvements:	
13. Director, GM–15	68,099
14. Construction manager, GM–13	51,599
15. Contract specialist, GS–11	35,867
16. Secretary, GS–6	19,882
Legal:	
17. General Counsel	77,700
18. Deputy general counsel, GM–15	67,123
19. Atytorney, GM–14	53,698
20. Attorney, GS–13	44,022

	Annual salary
21. Secretary, GS-9	31,297
Design:	
22. Director, GM-15	61,163
23. Architect, GS-13	44,021
24. Secretary, GS-7	20,793
Development:	
25. Director, AD	77,700
26. Project manager, GM-14	61,374
27. Secretary GS-7	21,590
Total	1,256,502

CULTURAL AFFAIRS

Mr. AUCOIN. For each of the last few years you budgeted $100,000. I'm talking about activities for public open spaces. For each of the last few years, you've budgeted $100,000 for cultural and artistic activities and public open spaces. This year there are no funds requested for those activities. Why?

Mr. HAUSER. I believe the answer to that is that was part of the slimming process that took place through the OMB review. While we would like to have that additional money to carry on this wide range of activities that we have had, which truly has brought life to the Avenue, we are hopeful that we will be able to continue that through private sector input as well as through the District.

Mr. AUCOIN. What are examples of the kinds of open spaces activities that you just mentioned that add to the quality of life that you referred to?

Mr. HAUSER. The type of activities?

Mr. AUCOIN. What—name some.

Mr. HAUSER. Where?

Mr. AUCOIN. What are they for the record?

Mr. HAUSER. Let me have—we'd be pleased to give you a complete list. I think there were over 100 different events that——

Mr. BRODIE. Close to 200, Mr. Chairman, that were either sponsored or co-sponsored by PADC in the last 12 months. They ranged from Pershing Park and Freedom Plaza in the west to John Marshall Park near the courthouses in the east. They drew an audience of about 200,000 people, which were Washingtonians, visitors, people from around the world, high school bands from far-off places such as Oregon, and other States. So it has been——

Mr. AUCOIN. That won't happen now.

Mr. BRODIE. Well, I'm afraid——

Mr. AUCOIN. The kids from Oregon won't be able to come here and display their talents and offer their cultural contribution.

Mr. BRODIE. Well, for several years we tried, of course, to get whatever activities we could for free. We did produce a minimal number of events. I think what the last several years of $100,000 a year funding has shown is what quality and quantity upgrading can be done with a minimum amount of Federal investment.

Mr. AUCOIN. Do you know about Becky Hannum?

Mr. BRODIE. Yes, I do.

Mr. AUCOIN. She's the director of Art in the Marketplace, is that correct?

Mr. BRODIE. For the Rouse Company, yes.

Mr. AUCOIN. For the Rouse Company. She writes the committee, to the chairman, Mr. Yates, the following in a letter of February 26 of this year, "It has come to my attention that OMB has cut all of

the Pennsylvania Avenue Development Corporation's funds for cultural programming in fiscal year 1991. This is terrible news. For several years now, PADC has been doing a terrific job of introducing cultural programs that invite people to come together. Its efforts to change the perception of Washington, to a safe and healthy city that supports multi-cultural artists and audiences, has perhaps at no point in the city's history been more critically important." That's some input that the committee has gotten, and we've had no funding request. You must have asked for some amount to OMB. What did you ask for?

Mr. HAUSER. It was $150,000 that we asked for.

Mr. AUCOIN. You got zero.

Mr. HAUSER. That's right.

Mr. AUCOIN. That's right. So quantify then, briefly, what you could have done with that request?

Mr. BRODIE. Prospectively, into the future?

Mr. AUCOIN. Yes. This is assuming OMB would have done the right thing and would have funded your request. You figured out what is needed and submitted that to the people with the green eyeshades on down at OMB.

Mr. BRODIE. Right.

Mr. AUCOIN. What could you have done?

Mr. BRODIE. Well, the kinds of events, Mr. Chairman, that we did last year. The particular one that we worked on with Ms. Hannum in the Rouse Company was called "living history." It was two weeks of actors and actresses portraying Abe Lincoln, and Benjamin Banneker, and Mark Twain, and Alice Roosevelt, the President's daughter, and Abe Lincoln's son, Robert, working the Avenue, and the Shops, and other venues and really having a marvelous sort of rapport with children of all ages as the circus advertisements used to say. It really is living history; it's not just dusty people in a museum.

It drew people to the Avenue. Some of them end up buying something in the Shops. Some of them might be prospective residents for us in the future. It's that kind of activity that can't be done for free that we would continue and expand if we had the additional funds.

Mr. AUCOIN. Were there specific undertakings that you had planned to do with that request to OMB beyond what you just discussed?

Mr. BRODIE. Yes. I just mentioned one, but we would, in doing that kind of one- to two-week activity, we'd be doing special events such as we did last year called "Gardening on the Avenue" which involved all the garden clubs in the District and the vicinity.

Mr. AUCOIN. What happened there? Do people just contribute to the landscaping and so forth?

Mr. BRODIE. Yes, and do sort of a how-to-do plants in your backyard, whether it's an urban townhouse or a suburban place, and we also try to get local talent, whether it's musicians, dancers, mimes, jugglers, the whole shebang, to show their talents for a minimum fee, usually like $100 or $200. Those activities all cost a little and can't be done for no money at all.

I think we could supply, Mr. Chairman, both a visual and a narrative record of the kinds of events we've done, if that would be—

Mr. AuCoin. The committee would like to have that information.

[The information follows.]

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

Suite 1220 North
1331 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-1703
202/724-9091

Richard A. Hauser
Chairman

M. J. Brodie
Executive Director

December 1, 1989

MEMORANDUM

TO: Carl Shipley, Chairman, Cultural Affairs Committee

THRU: Anne Hartzell, Director of Corporate Affairs
M. J. Brodie, Executive Director

FROM: Sylvia L. Simmons, Public Affairs Specialist

SUBJECT: Art/Culture Activities in PADC'S Area for Fiscal Year 1989 (October 1, 1988 through September 30, 1989)

Activities in PADC's Parks and Plazas in Fiscal Year 1989 numbered 193. Of this figure, PADC has sponsored and co-sponsored 102 activities. The total number of attendance for activities in Fiscal Year 1989 is 188,539.

The following is a listing of activities by place, date and time:

PERSHING PARK:

OCTOBER(1988)

No activities scheduled.

NOVEMBER(1988)

No activities scheduled.

DECEMBER(1988)

No activities scheduled.

JANUARY(1989)

Saturday, 21: PADC presents the Fairfax Team Organization's Future Stars on Ice featuring local and national champions. 1:30PM-2PM. Attendance 60 people.

Sunday, 22: PADC presents the Fairfax Team Organization's Future Stars on Ice featuring local and national champions. 1:30PM-2PM. Attendance 100 people.

Thursday, 26: Impact photo session for Album cover. 8PM-10PM. Attendance 8 people.

FEBRUARY(1989)

No activities scheduled.

MARCH(1989)

No activities scheduled.

APRIL(1989)

No activities scheduled.

MAY(1989)

Wednesday, 3: WGMS Radio Station Presents Classics in the Community featuring the WGMS Players 12PM-1PM. Attendance 100 people.

JUNE(1989)

Monday, 5: PADC presents Lunch Time Concert featuring Hugh Feeley & Benny Andrews (Singing the Blues) 1PM-2PM. Attendance 200 people.

PERSHING PARK:

JUNE

*Tuesday, 6: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers George Washington, Thomas Jefferson, Abraham Lincoln, Dolley Madison, Alice Roosevelt, Sojourner Truth, Benjamin Banneker, Mark Twain, Robert Todd Lincoln, and the Town Crier 2PM-3PM. Attendance 275 people.

*Thursday, 8: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers George Washington, Thomas Jefferson, Abraham Lincoln, Dolley Madison, Alice Roosevelt, Sojourner Truth, Benjamin Banneker, Mark Twain, Robert Todd Lincoln, and the Town Crier 2PM-3PM. Attendance 275 people.

*In addition to regular appearances on Freedom Plaza and in Pershing Park, the Time Travelers also appeared at the locations of the sponsoring organizations, drawing large crowds at each site.

PERSHING PARK:

JUNE(1989)

*Tuesday, 13: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS/OLD EBBITT GRILL presents Living History Comes to Washington featuring time travelers George Washington, Abraham Lincoln, Thomas Jefferson, Dolley Madison, Alice Roosevelt, Sojourner Truth, Benjamin Banneker, Mark Twain, Robert Todd Lincoln, and the Town Crier 2PM-3PM. Attendance 275 people.

*Thursday, 15: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS/OLD EBBITT GRILL presents Living History Comes to Washington featuring the time travelers: George Washington, Abraham Lincoln, Thomas Jefferson, Dolley Madison, Alice Roosevelt, Sojourner Truth, Benjamin Banneker, Mark Twain, Robert Todd Lincoln, and the Town Crier 2PM-3PM. Attendance 200 people.

Monday, 26: THE SPORTING LIFE MAGAZINE photo shoot for their 1989 Holiday Catalogue 8AM-12PM. Attendance 10 people.

Tuesday, 27: THE SPORTING LIFE MAGAZINE photo shoot for their 1989 Holiday Catalogue 8AM-12PM. Attendance 10 people.

Wednesday, 28: THE SPORTING LIFE MAGAZINE photo shoot for their 1989 Holiday Catalogue 8AM-12PM. Attendance 10 people.

Thursday, 29: THE SPORTING LIFE MAGAZINE photo shoot for their 1989 Holiday Catalogue 8AM-12PM. Attendance 10 people.

Friday, 30: THE SPORTING LIFE MAGAZINE photo shoot for their 1989 Holiday Catalogue 8AM-12PM. Attendance 10 people.

JULY(1989)

Tuesday, 4: FAMILY DAY COALITION presents July 4th Family Day Celebration featuring programs for visiting families to include choral, dance, orchestra and marching band, speeches, and demonstration tables with helpful information for family life. 11AM-6PM. Attendance 300 people. (Constant rain reason for low attendance).

PERSHING PARK:

JULY(1989)

Tuesday, 18: PADC: Presents Lunch Time Concert featuring Willie Jolley and Company (Contemporary Jazz) 12PM-1PM. Attendance 300 people.

Monday, 24: PADC: Presents Lunch Time Concert featuring Paco DeMalaga and Accompanist (Spanish Guitarists) 12PM-1PM. Attendance 200 people.

Tuesday, 25: PADC: Presents Lunch Time Concert featuring the Symbols of Jazz (Contemporary Jazz) 12PM-1PM. Attendance 200 people.

Thursday, 27: PADC: Presents Lunch Time Concert featuring Penguin (Top 40 Tunes) 1PM-2PM. Attendance 250 people.

Friday, 28: PADC: Presents Lunch Time Concert featuring the Southern Gates (Gospel music) 1PM-2PM. Attendance 200 people.

Sunday, 30: PADC: Presents Lunch Time Concert featuring Joe Kennedy and Friends (Modern Jazz) 1PM-2PM. Attendance 100 people.

Monday, 31: DC PUBLIC SCHOOL MUSIC PROGRAM: Presents Lunch Hour Concert featuring Anacostia High School Summer Band 12PM-1PM. Attendance 150 people.

AUGUST(1989)

Wednesday, 2: DC PUBLIC SCHOOL MUSIC PROGRAM: Presents Lunch Hour Concert featuring Ballou High School Summer Band 12PM-1PM. Attendance 150 people.

Wednesday, 2: DC ART/WORKS/DC COMMISSION ON THE ARTS AND HUMANITIES: Presents an Evening Concert featuring the Washington Jazz Institute 5PM-6:30PM. Attendance 100 people.

Tuesday, 8: PADC: Presents a Lunch Time Concert featuring Allison Hampton and Linn Barnes (Classical music with the Lute and Celtic Harp) 12PM-1PM. Attendance 200 people.

Monday, 14: PADC: Presents Lunch Time Concert featuring Prevailing Winds (Classical music on Wind instruments) 1PM-2PM. Attendance 250 people.

Thursday, 17: PADC: Presents Lunch Time Concert featuring Jeff Cooper Combo (Standard Jazz tunes) 12PM-1PM. Attendance 200 people.

Wednesday, 30: THE OLD GUARD: Presents a Military Reception for Officers and their Wives 6PM-11:30PM. Attendance 250 people.

FREEDOM PLAZA:

OCTOBER(1988)

Friday, 7: DC RECREATION DEPARTMENT/PADC: Set-up for Sister Cities event 10AM-7PM.

Saturday, 8: DC RECREATION DEPARMENT/PADC: Presents Sister Cities Outdoor Pagaent and Trade Show from Bangkok, Dakar, Beijing and District of Columbia; performance by Jennifer Holiday 10AM-7PM. Attendance 1,000 people.

Sunday, 9: DISTRICT CURATORS/PADC/DC COMMITTEE TO PROMOTE WASHINGTON/ DC COMMISSION ON THE ARTS AND HUMANITIES: Presents American Discoveries featuring The Art Ensemble of Chicago (Jazz) and The Kinsey Report (Blues) 4PM-8:30PM. Attendance 2,000 people.

Monday, 11: DC FIRE DEPARTMENT: Presents exhibits and displays in recognition of National Fire Prevention Week 9AM-2PM. Attendance 150 people.

Monday, 11: EMBASSY OF POLAND: Presents a Wreath-laying Ceremony at the Pulaski Statue 10AM-10:30AM. Attendance 50 people.

Tuesday, 12: DC FIRE DEPARTMENT: Presents exhibits and displays in recognition of National Fire Prevention Week 9AM-2PM. Attendance 200 people.

Wednesday, 13: DC FIRE DEPARTMENT: Presents exhibits and displays in recognition of National Fire Prevention Week 9AM-2PM. Attendance 100 people.

Thursday, 14: DC STUDENT COALITION AGAINST APARTHEID AND RACISM (DC SCAR): A Rally March from Freedom Plaza down to the Department of Education 1PM-4:30PM. Attendance 300 people.

Thursday, 14: DC FIRE DEPARTMENT: Presents exhibits and displays in recognition of National Fire Prevention Week 9AM-2PM. Attendance 100 people.

Friday, 15: RAIMONDI FILMS: TV Commercial for the Hecht Company 7AM-5PM. Attendance 4 people.

Thursday, 20: LUCKY FILM COMPANY: Filming commercial for Cover Girl Cosmetics 7AM-11AM. Attendance 50 people.

Thursday, 20: AMERICAN BAR ASSOCIATION: Presents a Trial by Jury for the public 11AM-3PM. Attendance 100 people.

FREEDOM PLAZA:

OCTOBER(1988)

Friday, 21: LUCKY FILMS: Filming commercial for Cover Girl Cosmetics 7AM-11AM. Attendance 50 people.

Friday, 21: AMERICAN BAR ASSOCIATION: Presents a Trial by Jury for the public 11AM-3PM. Attendance 60 people (constant rain reason for low attendance).

Monday, 24: DUKAKIS/BENTSEN CAMPAIGN '88: Standup for Dukakis Day Rally 10AM-3PM. Attendance 200 people.

Friday, 28: NATIONAL PARK SERVICE: Presents a Concert for Drug Free America 10AM-3PM. Attendance 100 people.

Saturday, 29: GALIABRAITH CHURCH: Presents a celebration for their 125th Anniversary 1PM-3PM. Attendance 200 people.

NOVEMBER(1988)

Thursday, 10: WARNER BROTHERS TELEVISION: Promotional Photographs for TV Series "Hawk" 11AM-2PM. Attendance 8 people.

Monday, 14: ASSOCIATES NADEL & BUTLER: TV Commercial for American Security Bank 7AM-11AM. Attendance 50 people.

Thursday, 17: WARNER BROTHERS TELEVISION: filming of Television Series "Hawk" 6AM-9PM. Attendance 150 people.

Thursday, 17: SERVICE EMPLOYEE INTERNATIONAL UNION: Public Rally to announce the John Portman National Campaign 11AM-2PM. Attendance 200 people.

DECEMBER(1988)

Thursday, 1: DOWNTOWN PARTNERSHIP/PADC/DC RECREATION DEPARTMENT/DC COMMITTEE TO PROMOTE WASHINGTON: Presents Season of Song activities to kick off the holiday season 5PM-8PM. Attendance 1,200 people.

Thursday, 31: DC RECREATION DEPARTMENT/PADC/DC COMMITTEE TO PROMOTE WASHINGTON DC COMMISSION ON THE ARTS AND HUMANITIES: Presents 1988 New Year's Eve Celebration 9PM-12:15AM. Attendance 100,000 people.

FREEDOM PLAZA:

APRIL(1989)

Wednesday, 5: CHERRY BLOSSOM FESTIVAL COMMITTEE/PADC: Presents Noon Hour Concert featuring Penguin (Top 40 tunes) 12PM-1PM. Attendance 150 people.

Sunday, 9: CHERRY BLOSSOM FESTIVAL COMMITTEE/PADC: Presents the Cherry Blossom Festival Finale featuring National stars The Jets and local stars Radiant 12PM-5PM. Attendance 3,000 people.

Monday, 10: CAMAS SWING/WASHINGTON STATE: Presents Camas Swing High School Choir lunch time concert 12PM-1PM. Attendance 100 people.

Thursday, 20: IMAGE ASSOCIATION: Video taping using the Capitol as a backdrop for the American Association of University Women lobbyist on the Hill 11AM-1PM. Attendance 8 people.

Wednesday, 26: REACHING OUT COALITION: Presents a Public Awareness day with literature 9AM-3PM. Attendance 250 people.

MAY(1989)

Monday, 1: PADC/EMBASSY OF SWITZERLAND: Presents a Lunch Hour Concert featuring Jazz artists from Switzerland Bruno Spoerri and Reto Weber (heavy rain caused event to be moved into the shops) 12PM-1PM. Attendance 100 people.

Tuesday, 2: NATIONAL FESTIVAL OF STATES ASSOCIATION/THRIFTY TOURS: Presents a lunch hour concert featuring Southside Band and Choir from Arkansas 12PM-1PM. Attendance 150 people.

Thursday, 4: DC HABITAT: Rally for Housing 12PM-2PM. Attendance 100 people.

Monday, 8: PADC: Presents a Lunch Hour Concert featuring the Carl Grubbs Quintet (Standard Jazz) 12PM-1PM. Attendance 200 people.

Tuesday, 9: PADC: Present Lunch Hour Concert featuring the Four of Us (Standard Jazz) 12:30PM-1:30PM. Attendance 250 people.

FREEDOM PLAZA

JANUARY(1989)

Monday, 16 thru
Friday, 20: PADC: Pennsylvania Avenue Information Kiosk set-up on the Plaza during Inaugural week -- literature on PADC was distributed as well as the showing of PADC's video tape. 10AM-5PM. Attendance 3,000 people.

FEBRUARY(1989)

Wednesday, 8: PARENTS UNITED FOR DC PUBLIC SCHOOLS: Rally against the Budget cut 3:30PM-5PM. Attendance 300 people.

Tuesday, 14: OPEN AIR MERCHANT ASSOCIATION: Rally in support of Mayor Marion Barry 12:30PM-2PM. Attendance 100 people.

MARCH(1989)

Sunday, 12: SARAH COOPER ASSOCIATES, INC.: Set-up for Premiere of film, "The Congress" 12PM-6PM.

Monday, 13: SARAH COOPER ASSOCIATES, INC.: Presents the Premiere of film, "The Congress", at the National Theatre with dinner afterwards at the JW Marriott Hotel 5:30PM-11:30PM. Attendance 1,000 people.

Tuesday, 21: SALVATION ARMY: Presents their Outdoor Noon Hour Easter Services 12PM-1PM. Attendance 80 people.

Wednesday, 22: SALVATION ARMY: Presents their Outdoor Noon Hour Easter Services 12PM-1PM. Attendance 60 people.

Thursday, 23: SALVATION ARMY: Presents their Outdoor Noon Hour Easter Services 12PM-1PM. Attendance 100 people.

Thursday, 30: REEVES ENTERTAINMENT GROUP/ABC-TV(Los Angeles, California): Filming a scene for TV Show (on Midnight B. Ball) host speaking for :30 seconds. 6:30PM-7:30PM. Attendance 8 people.

APRIL(1989)

Monday, 3: PADC Presents Lunch Time Concert - A tribute to Duke Ellington featuring Dave Robbins 1:30PM-2:30PM. Attendance 150 people.

Tuesday, 4: CHERRY BLOSSOM FESTIVAL COMMITTEE/PADC: Presents Noon Hour Concert featuring the Smith Sisters (Country/Western) 12PM-1PM. Attendance 100 people.

FREEDOM PLAZA:

MAY(1989)

Thursday, 11: PADC/UNIVERSITY OF DISTRICT OF COLUMBIA (EXTENSION SERVICE)/GEORGE WASHINGTON UNIVERSITY(LANDSCAPE DESIGN DEPARTMENT)/PHELPS AGRI-BUSINESS CENTER (DC PUBLIC SCHOOL)/NATIONAL PARK SERVICE (NATIONAL CAPITAL REGION)/HOWARD UNIVERSITY (BOTANY DEPARTMENT)/SOIL AND WATER CONSERVATION DISTRICT/SOIL CONSERVATION SERVICE (USDA): Presents "Gardening on the Avenue", "Plant and Flower Festival" to inform the public about the importance of gardening and horticulutre and to make people aware of the resources available -- featuring exhibits, demonstrations, speakers, question and answer sessions various horticultural organizations and other gardeners and musical entertainment 11AM-5PM. Attendance 300 people. (Constant rain reason for low attendance).

Saturday, 13: ASIAN PACIFIC AMERICAN HERTIGAGE COUNCIL, INC.: Presents an Asian Festival with arts/crafts 12PM-6PM. Attendance 5,000 people.

Sunday, 14: MORGAN SEAFOOD/WBZE RADIO STATION: Presents Mothers Day Celebration 11AM-7PM. Attendance 350 people.

Monday, 15: JOHN NEVINS ANDREWS HIGH SCHOOL: High school class doing paper rubbings of quotes on the Plaza 10AM-10:30AM. Attendance 25 people.

Tuesday, 16: METROPOLITAN POLICE DEPARTMENT: Presents exhibits and demonstrations in recognition of National Police Week -- performance by the Side-by-Side Band 10AM-2PM. Attendance 300 people.

Wednesday, 17: WGMS RADIO STATION: Presents Classical Music in the Park festuring chamber music by the WGMS Players 12PM-1PM. Attendance 250 people.

Friday, 19: PADC: Presents Lunch Time Concert featuring The Four of Us (Standard Jazz) 12:30PM-1:30PM. Attendance 300 people.

Friday, 19: STREET BALL PARTNERS/THE WASHINGTON POST/ PEPSI/PIZZA HUT/BALMAR PRINTERS: Presents Reception and Registration for the Slam Dunk Contest 5PM-8PM. Attendance 800 people.

Saturday, 20: STREET BALL PARTNERS/THE WASHINGTON POST/ PEPSI/ PIZZA HUT/BALMAR PRINTERS: Presents the Slam Dunk Contest 8AM-6PM. Attendance 2,000 people.

Saturday, 20: PADC: Presents Mini Pow Wow Festival featuring Little River Drum Dancers and Vocalist Joanne Shenandoah arts/crafts 10AM-6PM. Attendance 200 people.

FREEDOM PLAZA:

MAY(1989)

Sunday, 21: STREET BALL PARTNERS/THE WASHINGTON POST/PEPSI/ PIZZA HUT/ BALMAR PRINTERS: Presents the Slam Dunk Contest 10AM-4PM. Attendance 1,500 people.

Monday, 22: WGMS RADIO STATION: Presents Classical Music featuring Chambers Music by the WGMS Players 12PM-1PM. Attendance 150 people.

Wednesday, 24: PADC: Presents Lunch Time Concert featuring Mary-Averett Seelye (Kinesis, Co.) Moving the Spoken Word 12:30PM-1:30PM. Attendance 100 people.

Thursday, 25: PADC: Presents Lunch Time Concert featuring the Empty Set (Pop Rock/Blues) 1:30PM-2:30PM. Attendance 150 people.

Tuesday, 30: PADC/WKYS RADIO STATION: Presents Picnics on the Plaza featuring the Charlin Jazz Society (Standard Jazz tunes) 12:30PM-2PM. Attendance 300 people.

Wednesday, 31: PADC: Presents Picnics on the Plaza featuring Bo Diddley, Jr. (Blues) 12:30PM-2PM. Attendance 200 people.

JUNE(1989)

Thursday, 1: PADC: Presents Picnics on the Plaza featuring Tony Kelly Big Band (Standard Jazz tunes) 12:30PM-2PM. Attendance 250 people.

Thursday, 1: GARFINCKELS: Photo shoot for 1989 Fall Catalogue (Opening pages) 3PM-6PM. Attendance 8 people.

Friday, 2: DC RECREATION DEPARTMENT/WDJ 100: Presents Kick-off promotion for Riverfest '89 live broadcast featuring radio personality DJ in the Morning give-aways "T" shirts, and hats 6AM-12PM. Attendance 200 people.

Friday, 2: PADC: Presents Picnics on the Plaza featuring DC's Finest (Oldies 50's/60's A Capella) 12:30PM-2PM. Attendance 300 people.

Saturday, 3: PARENTS UNITED FOR DC PUBLIC SCHOOLS: Presents the Key to the City Race 7AM-11AM. Attendance 1,000 people.

Saturday, 3: PADC/PHILIPPINE INDEPENDENCE DAY COMMITTEE/DC COMMITTTEE TO PROMOTE WASHINGTON: Presents the Philippine Festival featuring arts/crafts, cuisine, and entertainment from the Philippines 12PM-7PM. Attendance 5,000 people.

FREEDOM PLAZA:

JUNE(1989)

Monday, 5: NATIONAL FESTIVAL OF STATES ASSOCIATION/THRIFTY TOURS: Present Lunch Hour Concert featuring F. W. Holiem High School band from New Jersey 12PM-1PM. Attendance 150 people.

*Tuesday, 6: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 11AM-12PM. Attendance 275 people.

Tuesday, 6: NATIONAL FESTIVAL OF STATES ASSOCIATION/THRIFTY TOURS: Present Lunch Hour Concert featuring New York State All City High School Band and Choir 12PM-1PM. Attendance 100 people.

*Tuesday, 6: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 5PM-6PM. Attendance 400 people.

*Wednesday, 7: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/ARCHIVES/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 11AM-12PM. Attendance 350 people.

*Thursday, 8: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 11AM-12PM. Attendance 375 people.

*Thursday, 8: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 5PM-6PM. Attendance 390 people.

FREEDOM PLAZA:

JUNE(1989)

Friday, 9: WOLF TRAP FOUNDATION: Presents a mini promotion to make the public aware of an African event held at Wolf Trap entitle: "Africa Oye" 11:30AM-12:30PM. Attendance 150 people.

*Friday, 9: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL/NATIONAL ARCHIVES: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 11AM-12PM. Attendance 375 people.

*Saturday, 10: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 11AM-12PM. Attendance 475 people.

Saturday, 10: UNIVERSITY OF MISSOURI SCHOOL OF JOURNALISM-GRADUATE PROGRAM OF WASHINGTON: Presents an outdoor luncheon following a morning symposium at the Foreign Press Center, National Press Building 12PM-2:30PM. Attendance 60 people.

*Saturday, 10: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 5PM-6PM. Attendance 375 people.

*Tuesday, 13: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 11AM-12PM. Attendance 350 people.

Tuesday, 13: VERY SPECIAL ARTS/PADC: Presents the Very Special Arts International Festival Lunch Hour Concert featuring Nirupama Kaul, Nirmal Mondal, Sant Ramsharama Folk Dance and Music/India 12PM-1PM. Attendance 150 people.

FREEDOM PLAZA:

JUNE(1989)

*Tuesday, 13: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 5PM-6PM. Attendance 350 people.

*Wednesday, 14: PADC/J.W. MARRIOTT HOTEL/HOTEL WAHSINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 11AM-12PM. Attendance 390 people.

Wednesday, 14: VERY SPECIAL ARTS/PADC: Presents the Very Special Arts International Festival Lunch Hour Concert featuring Desert Flower - Original Pop Music/Virginia 12PM-1PM. Attendance 200 people.

*Thursday, 15: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 11AM-12PM/5PM-6PM. Attendance 375 people.

Thursday, 15: VERY SPECIAL ARTS/PADC: Presents the Very Special Arts International Festival Lunch Hour Concert featuring John Bell Charcoal portraits/Arkansas - Jazz Band (Cajun and Jazz Music/New Orleans) - Marcus Roberts (Jazz Pianist for the Wynton Marsalis Quartet) 12PM-1PM. Attendance 250 people.

Thursday, 15: NATIONAL FESTIVAL OF STATES ASSOCIATION/THRIFTY TOURS: Presents Lunch Hour Concert featuring Waihupa High School Choir from Hawaii 2PM-3PM. Attendance 100 people.

*Friday, 16: PADC/J.W. MARRIOTT/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/ARCHIVES/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker, and the Town Crier 11AM-12PM/5PM-6PM. Attendance 375 people.

FREEDOM PLAZA:

JUNE(1989)

Friday, 16: VERY SPECIAL ARTS/PADC: Presents the Very Sepcial Arts International Festival featuring Smith Singers (Traditional music/Alabama - ESCO Oriental Dance Ensemble (Folk dance and music/Sri Lanka) - Brom Wikstrom Mouthstick painting/Washington 12PM-1PM. Attendance 300 people.

*Saturday, 17: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjamin Banneker and the Town Crier 11AM-12PM. Attendance 385 people.

Saturday, 17: VERY SPECIAL ARTS/PADC: Presents the Very Special Arts International Festival featuring Kuang Ching Chorus (Traditional music/Taiwan) 12PM-1PM. Attendance 150 people.

*Saturday, 17: PADC/J.W. MARRIOTT HOTEL/HOTEL WASHINGTON/GRAND HYATT HOTEL AT WASHINGTON CENTER/THE SHOPS AT NATIONAL PLACE/OLD EBBITT GRILL: Presents Living History Comes to Washington featuring Time Travelers: George Washington, Thomas Jefferson, Abraham Lincoln, Mark Twain, Sojourner Truth, Alice Roosevelt, Dolley Madison, Robert Todd Lincoln, Benjaming Banneker and the Town Crier 5PM-6PM. Attendance 450 people.

Wednesday, 21: NATIONAL FESTIVAL OF STATES ASSOCIATION/THRIFTY TOURS: Presents Lunch Hour Concert featuring the Blue Spring Choir from Missouri 12PM-1PM. Attendance 150 people.

Saturday, 24: COLONIAL RUNNING COMPANY/STROH'S: Registration for the Road Race for the Police Memorial Fund 12PM-5PM. Attendance 250 people.

Sunday, 25: COLONIAL RUNNING COMPANY/STROH'S: Road Race for the Police Memorial Fund 8AM-1PM. Attendance 3,500 people.

Monday, 26: PADC/WKYS RADIO STATION: Presents Picnics on the Plaza featuring the Jeff Cooper Combo (Standard Jazz) 12:30PM-2PM. Attendance 300 people.

Tuesday, 27: PADC: Presents Picnics on the Plaza featuring Willie Jolley and Company (Contemporary Jazz) 12:30PM-2PM. Attendance 300 people.

Wednesday, 28: PADC: Presents Picnics on the Plaza featuring the Smith Sisters 12:30PM-2PM. Attendance 250 people.

FREEDOM PLAZA:

JUNE(1989)

Thursday, 29: PADC: Presents Picnics on the Plaza featuring Debbie Poole and the Style Band 12:30PM-2PM. Attendance 350 people.

Friday, 30: PADC: Presents Picnics on the Plaza featuring Uptown (Sophicated Swing) 12:30PM-2PM. Attendance 250 people.

JULY(1989)

Tuesday, 4: DISTRICT CURATORS/PADC/DC COMMITTEE TO PROMOTE WASHINGTON/DC COMMISSION ON THE ARTS AND HUMANITIES/MILLER BREWER COMPANY: Presents 4th of July Free Jazz Festival featuring Windmill Sax Quartet, Gerry Hemingway, Carter Jefferson, George Gruntz Concert Jazz Band, Malombo (South Africa), and Shirley Horn Trio 12PM-8PM. Attendance 500 people. (Constant heavy rains reaon for low attendance, and portions of the event performed indoors).

Wednesday, 5: AMERICAN LUNG ASSOCIATION: Presents Non Dependence Day Rally featuring the Jets (National Pop group) and guest appearance by Megan Gallagher (China Beach star) 6PM-7:30PM. Attendance 800 people.

Thursday, 6: DC RECREATION DEPARTMENT/PRESIDENT'S NATIONAL FITNESS PROGRAM: Presents Fitness Day 10AM-1PM. Attendance 300 people.

Friday, 7: PADC/EMBASSY OF DENMARK: Presents Lunch Time Concert featuring the Aarhus Pigegarde Marching Band from Denmark 12PM-1PM. Attendance 250 people.

Friday, 7: PADC: Presents Lunch Time Concert featuring Music of India 1:30PM-2:30PM. Attendance 150 people.

Monday, 10: PADC: Presents Lunch Hour Concert featuring Sassparilla (Bluegrass) 1PM-2PM. Attendance 200 people.

Monday, 17: PADC: Presents Lunch Time Concert featuring the Zion Hill Singers 12PM-1PM. Attendance 250 people.

Monday, 17: XTRA 104 RADIO STATION: Lunch Time Ice Cream Give-away 11:30AM-2:30PM. Attendance 200 people.

Monday, 17: DC COUNCIL/WASHINGTON DC LATIN AMERICAN FESTIVAL: Presents Kick-off Promotion for the Hispanic Festival 4:30PM-8:30PM. Attendance 250 people.

Tuesday, 18: PADC: Presents Lunch Time Concert featuring Second Chance 12PM-1PM. Attendance 150 people.

FREEDOM PLAZA:

JULY(1989)

Thursday, 20: PADC: Presents Lunch Time Concert featuring Karen Pannell Ensemble 12PM-1PM. Attendance 200 people.

Friday, 21: PADC: Presents Lunch Time Concert featuring the Kingdom of God Singers 12PM-1PM. Attendance 150 people.

Saturday, 22: INVENT AMERICA (U.S. PATENT MODEL FOUNDATION): Set-up for awards ceremony 10AM-4PM. Attendance 20 people.

Sunday, 23: INVENT AMERICA (U.S. PATENT MODEL FOUNDATION): Presents awards ceremony for young inventors from cities throughout the United States ranging from kindergarten to eighth grade 12PM-5PM. Attendance 2,000 people.

Wednesday, 26: DC PUBLIC SCHOOL MUSIC PROGRAM: Presents Lunch Hour Concert featuring Eastern High School Summer Band 12PM-1PM. Attendance 150 people.

Thursday, 27: YOUNG KOREAN ASSOCIATION: Presents a Rally/March 10AM-11:30PM. Attendance 100 people.

Thursday, 27: DC ARTS/WORK/DC COMMISSION ON THE ARTS AND HUMANITIES: Present Lunch hour concert featuring the Cosan Music Ensemble 12PM-1PM. Attendance 200 people.

Friday, 28: DC PUBLIC SCHOOL MUSIC PROGRAM: Presents Lunch Hour Concert featuring the Howard D. Woodson High School Summer Band 12PM-1PM. Attendance 150 people.

Saturday, 29: PADC/WKYS RADIO STATION/DC DEPARTMENT OF RECREATION AND PARKS/NATIONAL THEATRE/DC NATURAL GAS/UDC EXTENSION SERVICE/PEPCO/4-H CLUB (DC CHAPTER): Presents a Kid-A-Rama Festival to educate families in an entertaining way through exhibits and demonstrations. Mimes, clowns, vegetable and fruit characters, and story tellers informed families about the importance of environmental, safety and health issues, and of the resources available. 11AM-4PM. Attendance 1,200 people.

AUGUST(1989)

Tuesday, 1: UNITED PLANNING ORGANIZATION: Car display for raffle 10AM-2PM. Attendance 60 people.

Wednesday, 2: UNITED PLANNING ORGANIZATION: Car display for raffle 10AM-2PM. Attendance 80 people.

Thursday, 3: DC ART/WORKS/DC COMMISSION ON THE ARTS AND HUMANITIES: Presents Lunch Hour Concert featuring Andrew Cacho African Drummers and Dancers 12PM-1PM. Attendance 150 people.

FREEDOM PLAZA:

AUGUST(1989)

Friday, 4: PADC: Presents Lunch Time Concert featuring ODADAA (group of traditional and contemporary musicians and dancers from Ghana) 12PM-1PM. Attendance 200 people.

Friday, 4: PADC: Presents TGIF Music Festival featuring ODADAA (Musicians and dancers from Ghana) and Debbie Poole and the Style Band (Top 40 tunes) 5PM-8PM. Attendance 400 people.

Saturday, 5: WKYS RADIO STATION/PADC: Presents Saturday afternoon Electric Slide Dance featuring the singing artist from Jamacia Marcia Griffith 10AM-4PM. Attendance 3,000 people.

Monday, 7: DC ART/WORKS/DC COMMISSION ON THE ARTS AND HUMANITIES: Presents Lunch Hour Concert featuring the Washington Jazz Institute 12PM-1PM. Attendance 200 people.

Tuesday, 8: DC ART/WORKS/DC COMMISSION ON THE ARTS AND HUMANITIES: Presents Lunch Hour Concert featuring Kan Kouran West African Dancers and Drummers 12PM-1PM. Attendance 200 people.

Wednesday, 9: DC ART/WORKS/DC COMMISSION ON THE ARTS AND HUMANITIES: Presents Lunch Hour Concert featuring the Levine School of Music 12PM-1PM. Attendance 200 people.

Thursday, 10: DC ART/WORKS/DC COMMISSION ON THE ARTS AND HUMANITIES: Presents Lunch Hour Concert featuring Everyman Street Theatre 12PM-1PM. Attendance 400 people.

Tuesday, 15: PADC: Presents Lunch Time Concert featuring the 80th Division Army Band 12PM-1PM. Attendance 150 people.

Tuesday, 15: PADC: Presents Lunch Time Concert featuring DC's Finest (A Capella group) 1PM-2PM. Attendance 200 people.

Wednesday, 16: WRC TV 4: Promotional shots for TV personality Jim Vance 6PM-10PM. Attendance 8 people.

Friday, 18: PADC: Presents TGIF Music Festival featuring the Trinidad and Tobago Steel Band and Mystique 5PM-8PM. Attendance 250 people.

Monday, 21: METRO WASHINGTON/COUNCIL AFLCIO: Rally for Striking Workers 12PM-1:30PM. Attendance 100 people.

Thursday, 24: THE BLACK UNITED FUND, INC.: Showcase of the Sixty Three Programs of Services that are meeting needs that are often not met 10AM-6PM. Attendance 300 people.

FREEDOM PLAZA:

AUGUST(1989)

Thursday, 24: THE BLACK UNITED FUND, INC.: Live radio broadcast Dr. Calvin Rolark 10PM-12AM. Attendance 8 people.

Saturday, 27: CARIBBEAN FESTIVALS, INC.: Presents a Caribbean Festival to promote cultural exchange between Caribbean and American people through music and dance. 12PM-8PM. Attendance 15,000 people.

Wednesday, 30: PADC: Presents Lunch Time Concert featuring Ellen Cornfield Dancers 12PM-1:30PM. Attendance 200 people.

SEPTEMBER(1989)

Tuesday, 5: PADC: Presents Picnics on the Plaza featuring Jacques & Friends (Standard Jazz) 12:30PM-2PM. Attendance 300 people.

Tuesday, 5: WRC TV 4: Promotional shots for TV Personality Jim Vance 7PM-9PM. Attendance 8 people.

Wednesday, 6: PADC: Presents Picnics on the Plaza featuring The Veltones (A Capella group) 12:30PM-2PM. Attendance 300 people.

Thursday, 7: PADC: Presents Picnics on the Plaza featuring the Jewels (Standard R&B Tunes) 12:30PM-2PM. Attendance 400 people.

Friday, 8: PADC: Presents Picnics on the Plaza featuring The Oriloes (Pop 40 R&B Tunes) 12:30PM-2PM. Attendance 350 people.

Friday, 8: PADC: Presents TGIF Music Festival featuring She's Melting and Johnnie Boombay and the Reactions (Pop Rock Tunes) 5PM-8PM. Attendance 200 people.

Wednesday, 13: DC OFFICE ON AGING/DC COMMITTEE TO PROMOTE WASHINGTON/PADC: Presents a Senior Citizens Bazaar (Elderfest) with arts/crafts and musical entertainment 10AM-2PM. Attendance 4,000 people.

Friday, 15: GEICO: Promotion for their Safety Driving Awareness Program 12PM-3PM. Attendance 300 people.

Friday, 15: PADC: Presents TGIF Music Festival featuring The Smith Sisters (Country/Western) and Pete Kennedy (Jazz/R&B) 5PM-8PM. Attendance 300 people.

Saturday, 16: CARDOZO CLASS OF '64: Registration Reception 4PM-7PM. Attendance 50 people.

Thursday, 21: MAYOR'S SPECIAL EVENTS/DC FIRE AND AMBULANCE: Press Conference 11:30AM-12:30PM. Attendance 200 people.

Saturday, 30: FEDERAL LEAGUE RECREATION ASSOCIATION: Arts/Crafts Bazaar 10AM-5PM. Attendance 150 people.

JOHN MARSHALL PARK:

OCTOBER(1988)

No activities scheduled.

NOVEMBER(1988)

No activities scheduled.

DECEMBER(1988)

No activities scheduled.

JANUARY(1989)

No activities scheduled.

FEBRUARY(1989)

No activities scheduled.

MARCH(1989)

Thursday, 23: WUSA CHANNEL 9: Filming Pilot for TV Show "Snoops" featuring the husband and wife team (Mr. & Mrs. Tim Reid) 9:30AM-12PM. Attendance 65 people.

APRIL(1989)

Friday, 21: SNJ PRODUCTIONS LIMITED(Toronto, Ontario): TV Interview with Art Buckwald 11AM-3:45PM. Attendance 6 people.

MAY(1989)

Thursday, 4: CANADIAN TELEVISION NETWORK (CTV): Producing a Canada AM (Similiar to the Today Show) and Canadian National News 12AM-1AM. Attendance 25 people.

Friday, 5: CANADIAN TELEVISION NETWORK 9CTV): Producing a Canada AM (Similiar to the Today Show) and Canadian National News 12AM-1AM. Attendance 25 people.

Tuesday, 16: PADC: Presents Lunch Time Concert featuring Linn Barnes and Allison Hampton (Classical music with the Lute and Celtic Harp) 12PM-1PM. Attendance 150 people.

JOHN MARSHALL PARK:

MAY(1989)

Thursday, 18: PADC: Presents Lunch Time Concert featuring the Charlin Jazz Society 12PM-1PM. Attendance 200 people.

Thursday, 25: PADC: Presents Lunch Time Concert featuring the Charlin Jazz Society 12PM-1PM. Attendance 200 people.

JUNE(1989)

Tuesday, 20: PADC: Presents Lunch Time Concert featuring Paco DeMalaga and Accompanist (Spanish Guitarists) 12PM-1PM. Attendance 150 people.

JOHN MARSHALL PARK:

JUNE(1989)

Thursday, 22: PADC: Presents Lunch Time Concert featuring the Charlin Jazz Society 12PM-1PM. Attendance 250 people.

JULY(1989)

Thursday, 20: PADC: Presents Lunch Time Concert featuring the Charlin Jazz Society 12PM-1PM. Attendance 200 people.

AUGUST(1989)

Tuesday, 1: PADC: Presents Lunch Time Concert featuring Paco DeMalaga and Accompanist (Spanish Guitarists) 12PM-1PM. Attendance 200 people.

Wednesday, 16: PADC/UNIVERSITY OF MARYLAND: Presents Shakespeare on Wheels featuring the play, "Macbeth" (featuring elements of the Japanese Kabuki theatre) 5PM-7PM. Attendance 200 people.

Thursday, 17: PADC/UNIVERSITY OF MARYLAND: Presents Shakespeare on Wheels featuring the play, "Macbeth" (featuring elements of the Japanese Kabuki theatre) 5PM-7PM. Attendance 150 people.

SEPTEMBER(1989)

Tuesday, 5: WUSA CHANNEL 9: Filming for TV series "Snoops" with husband and wife team (Mr. & Mrs. Tim Reid) 9AM-2PM. Attendance 30 people.

OLD POST OFFICE PAVILION:

OCTOBER(1988)

No activities scheduled.

NOVEMBER(1988)

Tuesday, 22: WHUR 96.3FM/THE PAVILION/SAFEWAY: Presents Project Harvest -- WHUR live broadcast from the Pavilion sidewalk where the public brought food items, checks and cash donations for needy families in the Washington area ($10,000 in cash was donated, and several trailer trucks of food) 6AM-6PM.

NOTE: The Victorian Bandstand at the Old Post Office, which has been the site for a number of PADC-sponsored events in the past, was removed in the Spring, 1989 to make way for the expansion of the Old Post Office shops.

Explanation for decrease in number of events:

The following 18 events were cancelled because of inclement weather:

PERSHING PARK:

MAY(1989)

Monday, 1: WGMS RADIO STATION: Presents Classics in the Community featuring the WGMS Players (Chamber Music) 12PM-1PM cancelled.

Tuesday, 20: PADC: Presents Lunch Time Concert featuring Music of India 12:30PM-1:30PM cancelled.

FREEDOM PLAZA:

APRIL(1989)

Thursday, 6: CHERRY BLOSSOM FESTIVAL COMMITTEE/PADC: Presents Lunch Hour Concert 12PM-1PM cancelled.

Friday, 7: CHERRY BLOSSOM FESTIVAL COMMITTEE/PADC: Presents Lunch Hour Concer 12PM-1PM cancelled.

Wednesday, 19: WGMS RADIO STATION: Presents Classics in the Community featuring the WGMS Players (Chamber Music) 12PM-1PM cancelled.

Saturday, 29: NATIONAL FESTIVAL OF STATES ASSOCIATIONS/THRIFTY TOURS: Present Lunch Time Concert featuring Wheaton Central High School Choir 12PM-1PM cancelled.

MAY(1989)

Monday, 1: THE CHESS HOUSE OF WASHINGTON: Presents a Living Chess pageant - to promote chess as a recreational option for our youth 1:30PM-8:30PM cancelled.

Monday, 15: WGMS RADIO STATION: Presents Classics in the Community featuring the WGMS Players (Chamber Music) 12PM-1PM cancelled.

JULY(1989)

Thursday, 13: PADC: Presents Lunch Time Concert featuring the 76th Army Band 12PM-1PM cancelled.

FREEDOM PLAZA:

JULY(1989)

Monday, 17: UNIVERSAL STUDIOS: Promotion for the opening of a park in Florida featuring the Hanna Barber cartoon characters 11AM-2PM cancelled.

AUGUST(1989)

Monday, 14: UNIVERISTY OF PITTSBURGH: Graduation of Top Government Officials 5PM-8PM cancelled.

SEPTEMBER(1989)

Sunday, 3: DISTRICT CURATORS/PADC/DC COMMITTEE TO PROMOTE WASHINGTON/DC COMMISSION ON THE ARTS AND HUMANITIES: Present the ADD ARTS Festival 4PM-8PM cancelled.

Tuesday, 19: DC FIRE DEPARTMENT/AMBULANCE SERVICE: Promotion in recognition of Emergency Service Week 10AM-2PM cancelled.

Wednesday, 20: DC FIRE DEPARTMENT/AMBULANCE SERVICE: Promotion in recognition of Emergency Service Week 10AM-2PM cancelled.

Friday, 29: PADC: Presents TGIF Music Festival featuring Tim Jones and DC's Finest 5PM-8PM cancelled.

JOHN MARSHALL PARK:

MAY(1989)

Tuesday, 23: PADC: Presents Lunch Time Concert featuring Paco DeMalaga and Accompanist (Spanish Guitarists) 12PM-1PM. cancelled.

JUNE(1989)

Thursday, 8: PADC: Presents Lunch Time Concert featuring Linn Barnes and Allison Hampton (Classical Music) 12PM-1PM cancelled.

Tuesday, 13: PADC: Presents Lunch Time Concert featuring Paco DeMalaga and Accompanist (Spanish Guitarists) 12PM-1PM cancelled.

In addition, because of the lack of funds DC Department of Recreation did not schedule their annual 7 events in Pershing Park, and for the same reason the National Park Service did not schedule their annual 10 events for Pershing Park.

For various reasons, 18 applicants cancelled their activities scheduled for PADC's outdoor spaces.

Planning is already underway for 1990; several major events are already scheduled and meetings are being held for Gardening 1990.

SLS:sls

LAND ACQUISITION FUNDING

Mr. AUCOIN. Last year you requested $12 million in borrowing authority to purchase Square 406 property. This year you are asking for only $5 million, apparently for the same reason. Why is your need so much smaller this year than last?

Mr. HAUSER. The answer is that the need is not smaller, but our request is limited to that $5 million amount. Truly to be fully effective with respect to that square and to purchase the northern part of the square, if necessary, would require more in the neighborhood of $19 million. The $5 million, in our view, is the minimum amount necessary to assist in the development of the project.

Mr. AUCOIN. What can it do?

Mr. HAUSER. It can help us with the historic element—we have basically two land owners for that particular parcel. It becomes, again, a fairly difficult project to do because of differing goals and needs of the—Jay, you might point out where the historic zone is.

Mr. BRODIE (pointing to a map). North is up. The Portrait Gallery would be right across what is F Street. This is 8th, and this is E, and this is 9th. The whole square is shown in red in that small map that you have in front of you. The two portions that Mr. Hauser referred to is a parking lot which is in this yellow, or whatever you would call this color, which is under one ownership. Then there are a series of historic buildings which face the Portrait Gallery. Historic, but not in very good condition at all. They are generally under one ownership, although there are several small owners of these small buildings in the center.

The $5 million, to assist Mr. Hauser, would minimally enable us to perhaps purchase some of these small buildings. The $19 million would enable us to purchase all the historic buildings and the associated land.

Mr. AUCOIN. So the $19 million is the 100 percent acquisition number, is that right?

Mr. BRODIE. In here, yes.

Mr. AUCOIN. And last year it was $12 million.

Mr. BRODIE. Yes.

Mr. AUCOIN. What's the reason for that difference? You came before us last year as needing $12 million for the whole program. Now you're asking for $5, which is only a piece, but you've indicated that $19 million would be the 100 percent figure. What accounts for that difference?

Mr. BRODIE. That's correct. Two things have happened in the last 12 months. We were "cash-richer" when we appeared here last year, so the $12 million was not literally the cost of acquisition. It was the remainder that we needed in addition to the cash we had on hand to do the same acquisition. The price of the land has also gone up, which is a function of the Washington real estate market. We have spent our cash on other acquisitions to carry out our program.

Mr. AUCOIN. If you get only $5 million this year, then I would expect that the $19 million total cost will go up next year when you come before us again?

Mr. BRODIE. I'm afraid it would.

Mr. AUCOIN. What would happen if you do not get any borrowing authority in fiscal year 1991?

Mr. HAUSER. In fiscal year 1991? The major impact would be our ability to promote the development of this particular square on a timely basis. If we were unable to get the borrowing authority, it may mean that the project will be ultimately delayed and be beyond our mandate.

Mr. AUCOIN. That would drive your timeline beyond 1994, is that right?

Mr. HAUSER. That's correct.

LAWSUIT ON ICTC PROJECT

Mr. AUCOIN. What about the lawsuit that has been filed against you for the International Cultural and Trade Center? Is that likely to push the timeline beyond 1994?

Mr. HAUSER. We certainly hope not, and we don't expect that it will.

Mr. AUCOIN. Is that a possibility though?

Mr. HAUSER. Well, I feel a little constrained to talk about the case, but in our view it should not affect it. We believe that the process for the selection of a developer for this particular parcel was done in a very straightforward, sustainable fashion, and that it will not adversely impact. It is certainly our hope that the development of the ICTC project——

Mr. AUCOIN. Has a motion been filed to enjoin you from proceeding with the development?

Mr. HAUSER. Well, the complaint has been filed. There has been no separate motion to stop the project, at least to my knowledge as of last night.

Mr. AUCOIN. What are the grounds of the lawsuit that has come up here?

Mr. HAUSER. Well, I'd be pleased to supply a copy of the complaint, as we have received it, for the record.

Mr. AUCOIN. Well, I have it here. I'd like you to react to it or comment on it. It states on page 9 of the document that:

> The PADC failed to follow its stated evaluation criteria. Instead it awarded the rights to develop the Federal Triangle site to an offeror whose proposal had no construction financing commitment as required, had inadequate minority participation, and had a project budget cost of almost $200 million higher than the lowest reasonable cost, even before post-award increases were added.

That's one of several points that were in the lawsuit.

Mr. HAUSER. Let me respond in this way and we, of course, will be filing an answer to that complaint which will be, I'm sure, more detailed and properly so than my answers to you here today.

It is my view, and I'm sure that of the board, that this particular claim is without merit. The board conducted a very regular, fair process for the selection of a developer. The board's decision was based upon criteria established in the prospectus. Each team was evaluated on the basis of the criteria, and the Delta Partnership was selected as a result of that very intense period of analysis and presentations by the various teams.

It is unfortunate that you can't have more than one team selected for this, but that is the nature of the competition, and we be-

lieve that the team that was selected satisfied all of the eight criteria as set forth in the prospectus, that there was no deficiency.

Mr. AUCOIN. I doubt that we'll be able to adjudicate this at the hearing today. There is no motion that has been filed though, is that correct?

Mr. HAUSER. No, to my knowledge, there has not been.

Mr. AUCOIN. Are you on schedule for 1994 completion of the ICTC?

Mr. HAUSER. Yes.

ADDITIONAL FUNDING FOR ICTC PROJECT

Mr. AUCOIN. You've been receiving substantial amounts of money from the GSA for managing the project. How much more money will you need?

Mr. HAUSER. As you probably noted in our submission here, we have not requested any additional monies here for the Federal Triangle project. We anticipate that approximately $1.5 million will be needed for fiscal year 1991 to augment the other appropriations for us to fulfill our commitments.

Mr. AUCOIN. That would be from GSA?

Mr. HAUSER. From GSA.

Mr. AUCOIN. Are those funds in the GSA's fiscal year 1991 report?

Mr. HAUSER. They are not. We have $475,000 in that, so we are working with OMB and GSA to try to have those monies again inserted. We will be in some difficulty if we do not receive those monies.

Mr. AUCOIN. You don't support the budget in that particular area?

Mr. HAUSER. We're supportive, but we think it needs a little adjustment.

Mr. AUCOIN. Well, I support the budget on those grounds, too. Thank you very much. We have additional questions, but we're on a tight schedule.

Mr. HAUSER. We'd be pleased to answer them for the record.

Mr. AUCOIN. Thank you very much.

Mr. HAUSER. Thank you, sir.

[Questions and answers for the record.]

Additional Committee Questions

Receipts from Rental/Land Purchases

Question: What was the total income from PADC sales and rental receipts in FY 1989? What amount is expected in FY 1990 and FY 1991?

Answer: PADC earned $15.3 million revenue during FY 1989. Revenue of approximately $2 million is expected in FY 1990, and the projected revenue for FY 1991 is $10 million.

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Question: What purchases were made in FY 1989? What purchases are planned for FY 1990?

Answer: In FY 1989 PADC purchased four properties on Square 457, in preparation for the issuance of a development prospectus for a major site on this square, and a property on Square 407 which was subsequently sold to a developer of a PADC - approved development project on this square. Acquisition of properties on these two squares for the cited purposes continued in the first half of FY 1990, with the purchase of one additional site on Square 407 and five sites on Square 457. Two more properties on Square 457 are planned for acquisition during the last half of FY 1990, to complete the assemblage of this large site, which will be the subject of a development prospectus.

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Question: How much of your existing borrowing authority is available for land purchases?

Answer: Approximately $12 million in borrowing authority remains available as of March 31, 1990.

International and Cultural Trade Center

Question: Last November the National Capital Planning Commission approved the design concept for the ICTC but withheld judgment on the architectural treatment of the building facades. What has been done or is planned to address the NCPC concerns related to the compatibility of the project with the surrounding historical buildings?

Answer: Working with the project's architect PADC is studying all the elements relative to the concerns expressed by the NCPC, which include creating further articulation of the building facades, giving the 13th and Pennsylvania Avenue entrance more prominence through enlargement of the pavilion designed for that entrance, separating the entrance of the future ICTC offices on 14th street from the theatre entrance there, and positioning the pavilions and entrances to the building along the 13th Street axis so as to be compatible with the Ariel Rios Building. PADC is confident that these studies will produce design refinement that will satisfy NCPC concerns.

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Question: Are you on schedule for initiating construction this fall and for completion in November, 1994?

Answer: Yes, we are on schedule.

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Question: When is the project scheduled for occupancy?

Answer: The schedule for occupancy is still to be settled through discussions between PADC, the developer selected and the General Services Administration. However, it is hoped that the first tenants will occupy the complex before November, 1994, the date set for the completion of the entire structure. PADC expects some portion of the complex will have been completed before this final completion date, thus affording tenants an earlier opportunity to occupy this space.

Question: Do you have agreements yet with any of the future occupants? If so, which ones?

Answer: The General Services Administration is responsible for assigning space to future occupants. To our knowledge, a firm allocation of space among various occupants has not been done.

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Question: What are the major milestones you hope to achieve on the ICTC project this year and in FY 1991?

Answer: The major milestone for remainder of 1990 and the first quarter of FY 1991 is groundbreaking and the start of excavation. Milestones for the balance of FY 1991 are being developed in discussions with the developer.

Funding Transfer from GSA for the ICTC

Question: How many people does PADC have working on the ICTC project now? Are these temporary positions? How are these people paid?

Answer: There are four staff members at present assigned to the ICTC project on a full-time basis. Their salaries and administrative expenses have been paid from the $4.5 million transferred from the General Services Administration for the ICTC project. These positions are permanent but continued employment of the incumbents in FY 1991 depends upon the appropriation of additional funds for the ICTC project. The Office of Management and Budget has requested the GSA to include an amount in its budget for such salary and administrative expenses costs, to be transferred to PADC. In addition to the full-time employees assigned to the ICTC project, certain PADC regular staff members contribute time to the project. When considerable time is spent by any one staff member, on this project, the salary cost of that staff member for the specific time involved is paid by appropriations transferred from GSA, rather than by normal salary and expenses appropriations.

Question: Please provide a breakout for the record of the additional funding and staffing requirements needed to complete the PADC responsibility for managing the planning and development of the ICTC for FY 1991 and each subsequent year.

Answer: Projected staffing and funding needs are as follows:

ICTC Program Needs

	FY 1991	FY 1992	FY 1993	FY 1994
Staff	$850,000 (11 positions)	$1,005,000 (13 positions)	$850,000 (11 positions)	$696,000 (9 positions)
Studies/Consultants	725,000	775,000	775,000	500,000
Public improvements	--	3,800,000	5,900,000	4,800,000
	1,575,000	$5,580,000	$7,525,000	$5,996,000

Navy Memorial

Question: Last year you told the Committee of a disagreement you were having with the Navy Memorial Foundation on PADC's right to schedule activities at the Navy Memorial. What agreement have you reached with the U.S. Navy Memorial Foundation on scheduling activities at the Memorial?

Answer: In September, 1989, PADC met with the Navy Memorial Foundation and the National Park Service to discuss the issue of the Memorial's use and maintenance. At the meeting, the Foundation modified its earlier position, stated in an August 26, 1988 letter to M. J. Brodie, that it must have "exclusive use" of the Navy Memorial. The National Park Service, as the Federal agency now responsible for maintaining the Memorial and surrounding grounds, recognizes PADC's interest in the Market Square Park area which includes but is larger than the memorial. The National Park Service is studying the means for controlling the memorial's use through Interior Regulations -- for a year -- so that an inappropriate use, one that the memorial sponsors would consider embarrassing or disrespectful, is not allowed. At the end of that period, the parties would meet to formulate permanent regulations for the area's use.

Question: Is PADC scheduling performances at the Memorial?

Answer: Not at this time.

Question: What is the status of the Park Service maintenance of the memorial?

Answer: The Park Service is currently maintaining the memorial, using FY 1990 appropriations earmarked for this purpose. PADC has no plans to maintain the memorial in FY 1991 or future years, and expects the Park Service to fulfill its responsibility to maintain the memorial without funding assistance from PADC.

PADC Sunset/Succession Issues

Question: What arrangements have you made for other agencies to assume responsibility for current PADC functions such as rent collection, maintenance of streets and parks, and activities in public spaces?

Answer: Formal arrangements have not, at this point, been made for a transfer of responsibilities to other agencies or parties. The National Park Service assumes, based upon its past discussions with OMB and PADC, that it is the most likely successor agency to maintain public improvements after 1994. To effect officially this transfer of responsibility, however, legislation is necessary. Concerning PADC's other activities that will require a transfer of responsibility, nothing has been decided. The PADC Board's Succession Committee is meeting to develop a position on these issues. Additionally, PADC and OMB have met on two occasions to discuss this matter, and future discussions are planned.

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Question: What projects or activities has PADC turned over to other agencies?

Answer: Only the maintenance of the parks, plazas and sidewalks along Pennsylvania Avenue has been assumed by the National Park Service, and even here PADC continues to remain involved by accomplishing certain landscaping and maintenance work as a supplement to that performed by the Park Service.

Landscape Contract

Question: Who is responsible for landscape maintenance along the Avenue?

Answer: Landscaping is a joint responsibility of the National Park Service and PADC, with the Park Service generally responsible for grass and tree maintenance, and PADC responsible for flower planting and additional landscaping efforts.

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Question: What has been the annual cost of the PADC landscaping maintenance contract?

Answer: In recent years, PADC has spent approximately $180,000 for its landscape services.

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Question: Why was this contract discontinued?

Answer: PADC simply exhausted its public improvements funding for the particular item in FY 1990. However, PADC has included in its FY 1991 budget request an amount approved by OMB for a future landscaping contract.

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Question: What arrangements have you made with the Park Service to ensure that the landscaping along the Avenue is maintained this year? In the event that the Park Service doesn't come through with the needed support, would you allow the job to remain undone for a year? If not, what could you do?

Answer: The Park Service has informed us that it cannot provide the level of landscaping that the PADC accomplished by its contract, citing a lack of funding. However, PADC has recently identified from amongst its other Public Development appropriations an amount that would be reprogrammed so that a landscape contract can be issued this fiscal year. A reprogramming letter has been forwarded to the Subcommittee for its response.

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Question: Are there other contracts you have discontinued besides the landscape contract? If so, what do they involve and who is now responsible for the work?

Answer: PADC has also discontinued a maintenance contract for FY 1990. Like the landscape contract, it was intended as a supplement to the Park Service's maintenance program. This contractor would undertake a variety of tasks, including trash removal, cleaning of street furniture such as benches and drinking fountains, painting fire hydrants a uniform color, removing posters from trees and graffiti from all public areas, and undertaking minor repairs to equipment such as drinking fountains. While this work could be considered the Park Service's responsibility, PADC has found that to readily accomplish a repair or quickly clean up after an event in the parks and plazas it must rely on its own resources rather than wait for the Park Service to respond. The objective of this maintenance contract is to achieve the highest level of appearance of the public spaces along Pennsylvania Avenue, which implies an immediate response to maintenance problems.

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Question: You have requested $400,000 in FY 1991 public improvements funding for landscaping and the replacement of damaged or deteriorated items in the parks, plazas, crosswalks and sidewalks of the project area. What contract would these funds be used to support?

Answer: Two contracts would be funded by this amount, one for landscaping, and one for maintenance and repair of public improvements. The

former would be continuation of the landscape contract PADC has maintained since 1982, and the latter would accomplish both maintenance, as a supplement to the Park Service's own maintenance program, and repair to damaged public areas. Some of the PADC improvements are now ten years old, and chipped or broken granite marble and brick requires replacement. A separate PADC contract will ensure a rapid response to a repair problem, in keeping with need to maintain the Avenue's appearance at the highest level.

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Question: How much did you request OMB for this activity? If you have requested a higher amount, please detail what you would have done with the additional money.

Answer: PADC requested $800,000 for landscaping and maintenance and repair contracts. The additional $400,000 would have allowed PADC to undertake a more extensive program of repair and replacement to the crosswalks, roadways, sidewalks, parks and plazas. Constant, heavy use of these public areas over the last five to ten years subject them to wear-and tear which in FY 1991 would require $500,000-$600,000 in repair work; with our reduced budget, PADC can repair and replace only the most damaged elements.

Question: You have also requested $650,000 for consultants on construction management engineering, and landscape design. Is this the same amount you requested of OMB?

Answer: Yes, it is the same amount.

Side Street Program

Question: The FY 1991 budget includes a $3.4 million request for development projects associated with the "side streets" program. Is this the amount you requested of OMB?

Answer: Yes, it is.

Question: What specifically would be done with this money?

Answer: Generally, the public spaces within the emerging residential and arts community east of the FBI Building would be improved in a manner complimentary to the new development occurring here. More specifically, the Portrait Gallery plaza on F Street between 7th and 9th Streets would be improved. The sidewalks on 7th and 8th Streets, which integrate and serve the future 1,200 residential unit community, would be significantly improved with benches, light fixtures, paving, drinking fountains, and other additions which would give the public space a comfortable, residential ambiance. Similarly, a portion of Indiana Avenue, near 7th Street, would be afforded the same treatment. The "inviting" nature of the public spaces is one key to the success of the residential community.

Question: What is the total estimated cost of this project (for FY 1991 and beyond)?

Answer: The total projected cost of this project, inclusive of the amount requested for FY 1991, is $14 million.

Question: Who will be responsible for maintenance of the side streets program after PADC goes out of business?

Answer: This has not been determined, although the National Park Service is a possible successor to PADC in this area of responsibility. This is one of a number of matters under review by PADC's Succession Committee

Question: How will you ensure that after you invest in side streets development, you won't be faced with the same situation you have on landscaping this year -- this is, no money for maintenance?

Answer: PADC can't be sure that this will not be a problem. It must depend upon the appropriations process to provide maintenance funds in future years.

Question: You have also requested restoration of $255,000 reprogrammed in FY 1989 from the "side streets" program. What specific projects would these funds support? Could some of this money be used for landscaping and maintenance?

Answer: The $255,000 would replenish the source from which the reprogrammed funds came -- the initial side street appropriation in FY 1986. This amount would be added to the $3.4 million requested in FY 1991 for improvements to the F Street Plaza, 7th and 8th Street sidewalks, and a portion of the Indiana Avenue sidewalk. The $255,000 is needed to cover the full cost of these improvements planned for FY 1991 and should not instead be used for landscaping and maintenance.

Working with the D.C. Government

Question: Last year you told the Committee of your efforts to work with the District of Columbia government on limiting the proliferation of vendors along Pennsylvania Avenue. What progress have you made in that area? What does PADC believe the solution should be?

Answer: With the concurrence of the D.C. Government PADC has published regulations in the D.C. register (in December 1989) limiting the number of vendors in the PADC project area to thirty. The

Corporation is currently working with the D.C. Government to achieve enforcement of these regulations, controlling both the number and location of the street vendors along Pennsylvania Avenue. At this time, this is a satisfactory status from PADC's perspective. We will be reviewing this situation and, if necessary, pursue further actions.

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Question: You have also been working with the D.C. Government on the question of renovating the Employment Services Building at 6th and Pennsylvania Avenue. What progress have you made on this project over the past year? Do you have a target completion date for this project?

Answer: At its December, 1989 meeting, the board of directors amended the Pennsylvania Avenue Plan to allow for consideration of the D.C. Government's plan for a new structure (not renovation) on the current site of the Employment Services Building, and also approved the design guidelines submitted by the D.C. Government. The D.C. Government has applied to the Federal Department of Labor for disposition instructions for the land and building, a procedure required because the Federal Government retains an equity interest in this building and site, and is required protect this interest through the issuance of instructions. To PADC's knowledge, the Department of Labor has not provided disposition instructions to the D.C. Government. Under these circumstances, PADC does not have a firm completion date for the project, but is tentatively projecting a FY 1994 completion date.

Harrington Hotel Renovation

Question: What is the status of your discussions on the Harrington Hotel project. What does PADC hope to accomplish on this project?

Answer: PADC continues to talk with representatives of the hotel, whose owner has expressed a desire to continue to operate a hotel addressing the needs of travelers on a limited budget. Because the Pennsylvania Avenue Plan allows a hotel use on this Square 322 site, PADC is not planning for acquisition of this property. The owner has recently undertaken a series of minor improvements, including the exterior cleaning of the building and lobby upgrading, which PADC supports.

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Square 457

Question: What progress have you made on your plans for a housing/office/retail/arts space complex on Square 457 (on 7th Street between D and E Street)? When do you plan to complete this project?

Answer: The Corporation has prepared a draft prospectus for a major site on Square 457, but has not set a date for the issuance of the

prospectus and the beginning of the competition. The board is still studying the extent to which historic preservation will be required of the developer to be selected. The prospectus will likely be issued in calendar 1990, and development is tentatively expected to commence eighteen months thereafter. On this basis, development should be complete by 1994.

Salary Increase

Question: How many FTEs did you request of OMB? If more than the current request, please explain?

Answer: The Corporation requested 29 Full Time equivalent positions for FY 1991 in its budget request forwarded to OMB. OMB determined that only 28 positions would be funded in the salaries and expenses budget it approved and presented in the President's budget request.

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Question: What was your average FTE cost in FY 1989?

Answer: The average direct payroll cost for an FTE employee in FY 1989 was approximately $39,500.

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Question: Please provide a detailed explanation for the record of why your salary costs are increasing while you FTE are decreasing, using your actual FY 1989 costs and FTE utilization as a starting point.

Answer: For FY 1989, PADC incurred $1,267,000 in direct payroll expenses for 32 FTE employees. The budget available for PADC in FY 1990 allows $1,225,000 for an FTE staff of 30 employees. The direct salary amounts requested for FY 1991 for a staff of 28 employees is $1,266,000. At first glance, it appears that PADC is asking, in FY 1991, for the same level of funding that paid for a staff of four more employees in FY 1989. However, there are reasons why the salary cost figures for FY 1989, FY 1990, and FY 1991 are not strictly comparable. First, the FY 1989 figures reflect salary costs which are lower by the increment of the pay raise of January 1990 and one-fourth of the January 1989 pay raise; therefore the FY 1991 payroll cost for each employee is higher than for either FY 1989 and FY 1990. Secondly, the FY 1990 payroll budget does not represent an absolute standard for determining what increases or decreases should occur in future fiscal periods, for it is the result of successive reductions to PADC's request for this year -- first by OMB and then by the Congress. It is inadequate to cover the payroll costs of 30 FTE employees should full employment be experienced; in fact it will only suffice because turnover has occurred in FY 1990. Finally, the FY 1991 budget for direct payroll expenses can be supported by the projected salary costs of 28 FTEs; in fact the tabulation of the cost of employee

salaries for 27 full-time permanent position employees exceeds the figure of $1,201,000 included in the budget. This tabulation will be provided to the Subcommittee. In summary, PADC belives that its budget request to cover direct personnel expenses in FY 1991 is justifiable.

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Overtime and Awards

Question: You are requesting an increase of $10,000 for overtime and performance awards from $45,000 in FY 1990 to $55,000 in 1991. About $18,000 of the $55,000 is targeted for overtime pay. What was your actual cost for overtime in FY 1989?

Answer: Overtime costs approximated $16,000 in FY 1989.

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Question: You say you will use two-thirds of the $55,000 requested for overtime and awards for performance-based cash awards in FY 1991. That equates to nearly $37,000 -- an average of more than $1,300 for each FTE in your budget request. How do you justify such a large request for cash awards?

Answer: Approximately $15,000 of the $37,000 is a pay-out required by the Performance Management Recognition System (PMRS) for GM-13 - GM-15 employees and for a companion pay-for-performance plan for non-GM and lower-graded employees. The size of such payments are governed by OPM guidelines and based upon the result of annual performance evaluations. Separately, PADC proposes a budget of $22,000 from which awards to employees not covered by either plan (three officer-level positions) and to all other employees for specific acts or accomplishments can be paid, if justified. PADC has found performance awards to be a good motivational tool, and believes the amount paid out in past years and proposed for FY 1991 to be supported by the accomplishments of the awardees.

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Question: How many awards do you plan to make?

Answer: The number of awards will be determined largely by the performance evaluation ratings of each PADC employee in FY 1991. All employees receiving outstanding or exceptional evaluations will receive a cash payment of some magnitude, under the PMRS and related performance plan for non-GM employees. Employees receiving a fully satisfactory rating are also candidates for receiving an award, albeit a smaller one. Additionally, cash awards for special accomplishments will occur. Therefore a large percentage of the PADC staff may be expected to earn cash awards in FY 1991.

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Question: What did you spend on awards in FY 1989?

Answer: Approximately $28,000 was spent on the various types of cash awards in FY 1989.

Reduction-in-force

Question: You are requesting $10,000 to fund the "potential cost of the unemployment of PADC staff members". Do you assume there will be a RIF in FY 1991?

Answer: Considering the fact that the PADC employment ceiling will drop from 30 FTE positions to 28 between FY 1990 and FY 1991, PADC assumes that a RIF action may be necessary.

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Question: What has been your annual attrition rate over the past few years?

Answer: Approximately 10% of staff positions have become vacant, and had to be refilled, in recent years.

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Question: How are you reducing from 32 FTEs in FY 1989 to 30 FTEs in FY 1990?

Answer: In FY 1990, vacancies at the professional level and secretarial levels made a RIF action unnecessary, but PADC is planning to fill all but one of these positions during the year.

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Question: Why do you believe attrition will be insufficient to handle a reduction of 2 FTEs in FY 1991?

Answer: PADC cannot rely upon attrition as a way to avoid a RIF action and its potential cost. It must be prepared to fund a situation where the size of the staff is at a level above 28 FTEs at the beginning of the fiscal year and the removal of a staff member, or two staff members, becomes necessary. Depending upon the age and years of service of such an employee, PADC could be liable for a full year's salary as a severance cost.

Staff Reductions as PADC is Phased Out

Question: What is your plan for reducing FTEs as PADC is phased out over the next few years? How many FTEs would you reduce each year?

Answer: The current phase-down plan approved by OMB has PADC reducing staff size by two FTE positions, so that in FY 1992 26 positions will exist, followed by 24 positions and 22 positions in FY 1993 and FY 1994, respectively.

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Question: What will happen to the remaining PADC staff when you go out of business? Have you made any arrangements for them to be absorbed by the agencies who will take over the work PADC is doing now?

Answer: The staff members that remain at the end of the program must find employment on their own. No arrangements have been made, and each employee who is hired by the Corporation is informed that it is a limited-life organization offering no natural transition to subsequent employment in other agencies once the Plan is completed.

PADC Newsletter

Question: The FY 1991 request includes an increase of $4,000 in printing and reproduction funding for a quarterly newsletter. Last year you told the Committee you would be publishing a quarterly newsletter titled the "Avenue Report" for the remainder of FY 1989 and in FY 1990. Why then do you need an increase of $4,000 to publish a quarterly newsletter in FY 1991?

Answer: The $4,000 increase is an estimate of the overall rise in costs for all items requiring printing in FY 1991, rather than for an increase in the cost of producing the Avenue Report. Little, if any, of the $4,000 increase requested relates to the Avenue Report's printing requirements.

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Question: What funds are included in the FY 1990 budget for the newsletter?

Answer: Approximately $4,000 of the FY 1990 printing budget is allocated for the Avenue Report.

PADC Meetings

Question: How many meetings of the Corporation are planned for fiscal years 1990 and 1991? How does that compare to FY 1989?

Answer: PADC has plans for eight board meetings in FY 1990, of which six have already been held as of March 31, 1990. In FY 1991, at least four meetings will be held, and perhaps more. The numerous items to be reviewed and approved by the board of directors can't always wait for the regularly - scheduled December, March, June, and September meetings, however, so that interim meetings must be convened to maintain the program's progress. In FY 1989, five board meetings were held.

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Question: What special purpose meetings were held in FY 1989. Are any planned for FY 1990? If so, what will they involve?

Answer: One special meeting were held in FY 1989, on the subject of the Federal Triangle/International and Cultural Trade Center Building. Four special meetings on the same subject have been held thus far in FY 1990, and more may occur in the last six months of the fiscal year.

Travel

Question: You proposed to increase your travel budget frrm $15,000 in FY 1990 to $20,000 in FY 1991. Your object class breakout on page 5 shows your actual expenditures for travel in FY 1989 were $10,000. What is your justification for such a large increase in FY 1991?

Answer: Travel is a particularly difficult expenditure item to estimate. Travel depends upon the location of developers and contractors PADC selects to work with on square and public improvements projects. In every instance, PADC endeavors to hold meetings in its office, but occasionally staff must travel to other cities to review drawings, meet with prospective developers and their bankers and consultants, and inspect material to be used in upcoming public improvements projects. FY 1989's travel fund needs were modest, as it turned out, but considerably more travel may be necessary in FY 1991 depending upon third parties PADC is working with all that time.

Supplies and Materials

Question: Your actual expenditures for supplies and materials in FY 1989 was $35,000. You have had $45,000 budgeted for this year and are asking for $50,000 in FY 1991. Why do you expect the required funding for supplies to go up while the number of staff is going down? What will the additional $5,000 requested for FY 1991 buy?

Answer: Supplies costs are budgeted at a level consistent with spending trends over a number of past years, rather than just with respect to FY 1989, the most recently-ended fiscal year. In FY 1987, PADC required $47,000 for supplies while in FY 1988, $50,000 was obligated. The staff ceiling for these years was 34 and 32 FTE positions, respectively -- not significantly higher than the 28 positions scheduled for FY 1991. FY 1989's cost experience was simply lower than normal, and should not be the basis of predicting FY 1991's budget needs. The additional $5,000 will cover price increases for generally the same kind and number of supplies and publications purchased in FY 1990.

Questions Submitted by the Honorable Ralph Regula

Question: Last year you requested $12 million for Land Acquisition and Development for Square 406. That money was not appropriated. Now you are asking for $5 million for Square 406. You stated that it is to "break a stalemate" between 2 principal land owners with differing proposals. Is there no more efficient way to "expedite development"?

Answer: As PADC has done successfully in other instances, PADC must intervene when private owners are not able to cooperate, through a joint venture or a sale of one party's interest to another, to be a catalyst for timely development. In the case of Square 406, two independent-minded owners have not been able to agree on a single plan for development: one seeks to develop his real estate parcel independently of the other, while one has stated that he cannot economically proceed on a project given the constraints of his property, and seeks a joining of the site. The Pennsylvania Avenue Plan seeks a comprehensive development of the square, with a well-articulated project such as the Willard Hotel and Office complex on Square 225. If the parties don't come to terms with one another -- and they have not -- and PADC fails to act, the Plan's objective will not be achieved, and unconnected and potentially uncomplimentary projects are likely to result, or else no development will occur in the next several years. Therefore PADC feels that it must be in a position to intervene and, through its own ownership of real estate, bring about the results desired.

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Question: What would be the impact of changing the boundary of the development area if the northern border was redrawn along E Street, basically removing Square 406.

Answer: Square 406 was viewed by all of those who prepared the Pennsylvania Avenue Plan in the mid-1970s as an important area between the more residential community to the south and the more commercial area to the north. If PADC is able to control the future development of this square, it will require land uses and architecture compatible with the uses and architecture approved for the residential community to the south. The type and scale of development to occur on Square 406 is critical to the economic success of the adjacent residential community to the south. Removing Square 406 from PADC control puts the success of the community at a much greater risk than otherwise would be the case. Also, the removal of Square 406 would be inconsistent with our commitment, through the Plan, to all the private developers who have invested in the area, to see that Square 406 is appropriately developed.

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Question: Just last week it was announced that the D.C. banking superintendent has completely rewritten the District's banking laws, defining his authority as bank regulator, granting new powers to District-chartered institutions and dropping all barriers to interstate banking.

If passed by the D.C. Council, how do you envision the proposed bill titled The D.C. Banking and Financial Institutions Act of 1990 would affect you operations?

Answer: PADC has not studied this change in any detail but, for the moment at least, sees no impact from it on the redevelopment program.

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Question: You have stated that the cost of purchasing all of Square 406 would be $19 million, whereas you requested $12 million for the same purpose in FY '90. Since the Washington real estate market has in essence remained flat, please document your increase cost estimate.

Answer: Unfortunately, even though commercial office space is overly abundant in some areas of Washington at present, although not in the PADC area, the cost of purchasing real estate has continued to increase. In the last six months, PADC has been purchasing property on Square 407 and 457 ($34 million alone on the latter square), and has witnessed first-hand the increases referred to. PADC's estimates of a $12 million acquisition cost was made in the summer of 1988; in the intervening twenty-one months, real estate prices have increased on the order of 50%. In addition, our previous $12 million request for Square 406 was based on the availability of other land acquisition funds, which have now been utilized for real estate acquisition in Square 407 and 457.

WEDNESDAY, MARCH 28, 1990.

INDIAN EDUCATION

WITNESSES

JOHN T. MacDONALD, ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION

DANIEL F. BONNER, ACTING DIRECTOR, OFFICE OF INDIAN EDUCATION, OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

SALLY H. CHRISTENSEN, DIRECTOR, BUDGET SERVICE, OFFICE OF PLANNING, BUDGET AND EVALUATION

THOMAS M. CORWIN, DIRECTOR, DIVISION OF ELEMENTARY, SECONDARY, AND VOCATIONAL ANALYSIS, OFFICE OF PLANNING, BUDGET AND EVALUATION

Mr. YATES. Now we have Indian Education.

You're Mr. MacDonald?

Mr. MACDONALD. That's correct.

Mr. YATES. Hi, Mr. MacDonald.

Mr. MACDONALD. It's a pleasure meeting you, sir.

Mr. YATES. Glad to see you.

First, let me introduce you for the record by saying that this is the budget for 1991 for Indian Education. Appearing in support of that budget is Mr. John MacDonald, Assistant Secretary for Elementary and Secondary Education. He's accompanied by Mr. Bonner, who is the Acting Director of the Office of Indian Education; Ms. Christensen, who's been with us for more years than we should talk about——[Laughter.]

Ms. CHRISTENSEN. I appreciate that.

Mr. YATES [continuing]. And Mr. Corwin.

Mr. MacDonald, your statement will go into the record, as may your biographical sketch.

[The prepared statement and biographical sketch of Mr. MacDonald follow:]

DEPARTMENT OF EDUCATION

Statement by John T. MacDonald

Assistant Secretary for Elementary and Secondary Education

on

Indian Education

Mr. Chairman and Members of the Committee:

I appreciate this opportunity to appear before you to discuss the fiscal year 1991 budget request for the Indian Education Act programs. We are requesting $75.8 million, an increase of $2.1 million above the fiscal year 1990 appropriation. These increased funds will be applied to several of the programs authorized by the Act.

Subpart 1: Grants to Local Educational Agencies and Indian-Controlled Schools

For Subpart 1, the largest of the Indian Education programs, we are requesting $56.6 million, an increase of $2.3 million over the 1990 level.

Subpart 1 supports two programs for Indian students. Under one, grants are awarded on a formula basis to local educational agencies (LEAs). The other is a discretionary program under which grants are awarded on a competitive basis to Indian-controlled schools. All Bureau of Indian Affairs (BIA) schools are now treated as LEAs under the formula program. Those that are contract schools are also eligible for the discretionary program, and a number of these schools receive funds under both programs.

Subpart 1 formula grants must be used to supplement the regular school program. Typically, projects provide tutoring, remedial reading and mathematics, counseling and guidance, and Indian cultural and heritage activities. The amount of an LEA's grant is based on a formula that multiplies its Indian student enrollment by the average per-pupil expenditure for education in the State.

In fiscal year 1989, the program awarded formula grants to 1,162 public, BIA-operated, and BIA contract schools enrolling a total of 347,200 Indian children. Grants ranged from $913 to more than $1 million. Fiscal year 1989 formula payments to LEAs provided an average of approximately $143 for each Indian child counted in public and BIA contract schools and $123 per child in BIA-operated schools.

The discretionary funds for Indian-controlled schools are also used for special enrichment activities that supplement a regular school program. The amount of each grant is determined

based on competitive applications submitted by tribes and Indian organizations that operate schools on or near reservations.

In fiscal year 1989, discretionary funds went to 18 Indian-controlled schools serving almost 6,000 children, in amounts ranging from $82,000 to $366,000. Eleven of these schools also received formula grants. Payments under the discretionary program averaged about $588 per child.

For 1991, we are proposing that the formula program be increased by $2.7 million, in order to provide an increase in the per-student payment. These funds come from two sources: $2.3 million from a net increase in funding for this program and $451,000 to be reallocated from the discretionary grant program. We are proposing to decrease the funds available for the discretionary program, because the number and quality of applications have declined in recent years.

Subpart 2: Special Programs for Indian Students

The budget request for Subpart 2 of the Indian Education Act is $12.1 million, the same as the 1990 appropriation minus the reappropriation of $502,000 for the Gifted and Talented and Fellowship programs. Of the seven programs that constitute Subpart 2, two are designed to improve educational quality for Indian children; three help Indians train for professional careers--in education as well as other fields; one supports resource centers that provide technical assistance services to projects funded under the Indian Education Act; and one supports activities for gifted and talented Indian students.

Under the 1991 request, except for the gifted and talented program for which no funds are requested, these programs would be level funded.

Subpart 3: Special Programs for Indian Adults

Under Subpart 3 of the Act, we are requesting $4.2 million, an increase of $171,000, to support education programs for Indian adults. Subpart 3, which is a competitive grant program for Indian tribes and organizations, emphasizes adult basic education, especially literacy, and preparation for the high school equivalency exam. This request reflects the administration's continued commitment to efforts to combat illiteracy and will allow the program to maintain the current level of services.

Subpart 4: Salaries and Expenses

For program administration--which includes the Office of Indian Education and the National Advisory Council on Indian Education--the 1991 request is $2.9 million, an increase of $193,000. These additional funds will be used primarily in the following areas: to cover higher personnel compensation and benefits costs related to annualization of the 1990 pay raise, the proposed 1991 3.5 percent pay raise, and an extra paid day in 1991; for increased travel costs resulting from additional site visits in

line with our emphasis on accountability and increased monitoring; and for additional ADP costs to provide more personal computers for program staff to increase administrative efficiency and pay the Office of Indian Education's share of the Department's ADP services costs.

Other Activities Related to Indian Education

This year I would like to tell you about two special activities the Department is engaged in that are related to Indian education. The first is a study of one of the Subpart 2 program activities--the Fellowship program. This study will review approximately 490 fellowship recipients for fiscal years 1985 through 1989. The contractor conducting the study has already compiled a great deal of information on these Fellows by reviewing the program files for those years. The contractor will also mail survey forms to each of these individuals to obtain information on degree completion, subsequent employment, and involvement with the Indian community. The institutions attended by the Fellows will also be contacted for information on institutional characteristics and support services available to students.

From this study, we will learn whether Fellows in certain fields of study or those attending certain institutions are more likely to complete their degrees and obtain employment in their fields. Also, if a significant proportion of former Fellows work with Indians in some capacity, we will know that the program directly benefits the larger Indian community.

We hope that the study of the Fellowship program will be the beginning of a systematic review of all Indian Education program activities. A request for funds to conduct additional studies of Indian program activities is incorporated in the Department-wide budget for evaluations and studies. Depending on the amount of the appropriation and the program activities selected, we expect to begin the review of one or two Subpart 2 activities with fiscal year 1991 funds.

The other related activity is the Indian Nations at Risk study announced by the Secretary last October. Plans for this study are progressing, and staff are being hired to perform the work related to the study. A task force to oversee the study has been selected, and the members will be announced in early April. Through this study, we expect to identify barriers to educational achievement by Indians and determine specific ways that those barriers can be removed. The study report is planned to be completed within a year of the establishment of the task force.

My colleagues and I would be happy to answer your questions.

DEPARTMENT OF EDUCATION

Office of Elementary and Secondary Education

Biographical Sketch

NAME	:	John T. MacDonald
POSITION	:	Assistant Secretary for Elementary and Secondary Education
BIRTHPLACE AND DATE	:	Utica, New York, November 21, 1932
EDUCATION	:	Northeastern University, B.S. Northeastern University, M.Ed. University of Connecticut, Educational Administration, Ph.D
EXPERIENCE		
Present	:	Assistant Secretary for Elementary and Secondary Education, Department of Education
1986 - 1989	:	Commissioner, New Hampshire State Department of Education; Concord, New Hampshire
1978 - 1986	:	Superintendent, Dartmouth Public Schools; Dartmouth, Massachusetts
1973 - 1978	:	Superintendent, Walpole Public Schools; Walpole, Massachusetts
1970 - 1973	:	Superintendent, Wallingford Public Schools, Wallingford, Connecticut
1958 - 1970	:	Teacher, Elementary Supervising Principal and Secondary Principal; Groton Public Schools; Groton, Connecticut
HONORS AND AWARDS	:	Outstanding Alumni Award, Northeastern University (1989) Elected to Phi Delta Kappa (1970)

SUMMARY OF STATEMENT

Mr. YATES. Do you want to summarize your statement for us?

Mr. MACDONALD. Yes, I'd appreciate being able to do so. Thank you, Mr. Chairman. I'll just highlight the major components.

Basically we're requesting $75.8 million for the activities of the Office of Indian Education, which is $2.1 million above the fiscal year 1990 appropriation. The major changes are as follows:

ADEQUACY OF REQUEST

Mr. YATES. Should it be more than $2 million?

Mr. MACDONALD. Pardon?

Mr. YATES. Should it be more than $2 million?

Mr. MACDONALD. I think we have enough there with the $2 million——

Mr. YATES. You do?

Mr. MACDONALD [continuing]. To do what we would propose.

Mr. YATES. Okay.

Mr. MACDONALD. For example——

Mr. YATES. That really doesn't answer the question, though. You say "in terms of what we propose." Should you be proposing more?

Mr. MACDONALD. I don't think so, in terms of the level of services now, unless, for example, there would be greater State participation.

Mr. YATES. Should there be?

Mr. MACDONALD. Well, there should be greater State participation, but we're not seeing it at this particular time.

Mr. YATES. Well, the question really is, are Indian children getting enough of a break to give them an education?

Mr. MACDONALD. I think so, in terms of what I've seen. Basically, our Subpart 1 programs, our formula grant programs, are reaching 1,162 LEAs—school districts—affecting close to 250,000 children. That's basically 70 percent of the eligible population.

And if——

Mr. YATES. May I interrupt you, Mr. MacDonald?

Mr. MACDONALD. Certainly.

HISTORY OF BUDGET REQUEST

Mr. YATES. You asked for $80,527,000 for this year. The Department cut you by almost $2 million, and OMB cut you by almost $5 million. So there's a shortfall throughout, isn't there?

Mr. MACDONALD. That would be correct in terms of the original request.

Mr. YATES. Why would you—Ms. Christensen?

Ms. CHRISTENSEN. A large part of the reason for that reduction was that when we went in with our request to OMB, we were assuming a larger base for the 1990 amount. When we finally developed our budget and worked out the amount with OMB, we had gone through a sequester and that reduced these programs by more than a million dollars. So that was a large part of it. Then the rest——

Mr. YATES. The sequester really hurt you, didn't it?

Ms. CHRISTENSEN. Well, it certainly did reduce the programs. It was a small percentage. It was 1.4 percent for these Indian education programs.

Mr. YATES. If you needed the money, it hurt you.

Ms. CHRISTENSEN. That's correct; it hurt—it was, as you know, it was a ratable reduction across all discretionary programs in the Government.

Mr. YATES. I know. I know.

Ms. CHRISTENSEN. The positive aspect compared to other programs is that these programs operate like forward-funded programs so that State and local agencies had a full year to know what they were going to get and to plan in advance.

EFFECT OF REQUEST

Mr. YATES. Well, I think that's the fundamental question that I'm asking Mr. MacDonald, isn't it: because of the cuts such as these, do you then downgrade the whole education program, or is the difference made up by additional State and local contributions?

Ms. CHRISTENSEN. Well, there were still increases over the prior year.

Mr. MACDONALD. That's right. In other words, in the Subpart 1 proposal, what we would like to do is to move approximately $2.7 million into Subpart 1, which would then be approximately $56.6 million. Those two pieces of money would come from, one, an increase of approximately $2.3 million and, on top of that, $451,000 that we would pull from the second component of Subpart 1, the discretionary grants area.

The reason we're proposing that is the fact that we've watched, from 1985 through 1990, the number of applications decline from 65 to 38, which resulted in awards in 1985 of 34 grants and in 1990, this current year, of only about 18 grants. So, for one reason or another, we are not getting the numbers of applications that we have been processing in the past.

REASONS FOR DECREASE IN APPLICATIONS

Mr. YATES. What's your guess as to why you're not?

Mr. MACDONALD. Just from my own experience as a school superintendent and State superintendent, I would say that it's a breakdown occurring at the district level, where we're probably having a large turnover in terms of staff, and that is being translated into an inability to really deal with the grantsmanship, the proposal writing, and so forth. That's a calculated guess on my part at this particular juncture.

We are looking at it, though, Mr. Yates.

Mr. YATES. Mr. MacDonald, why are you having such a high turnover in staff at the district level, do you think?

Mr. MACDONALD. I think in terms of the reservations themselves, where you have a very small portion of teachers being Native Americans, we've been looking at the mobility factor in terms of teachers on those reservations and staff on those reservations turning over at a higher rate than it would be in a local district. Normally, in a local district, depending on the area of specialization, you'll hold a teacher, for example, in the math-science area five to

six years; a teacher in social sciences, English, the elementary area will tend to hang in 10 to 12 years.

We'll find that reservation teachers will go out and come back in terms of other career options that they may face, particularly motherhood.

EFFECTS OF STAFF TURNOVER ON EDUCATION

Mr. YATES. How is the turnover affecting the education process itself for the kids?

Mr. MACDONALD. That's a real problem with me. I think when anything breaks down continuity with children, you're putting youngsters more at risk, and I think we're seeing greater education losses.

Mr. YATES. Shouldn't we be trying to find out more about why you have this turnover?

Mr. MACDONALD. I think that's one thing to look at. I think another thing to look at is the way we're programming the youngsters. Are we really tying our programs together? In other words, as far as our early intervention programs, correlating those with our remedial programs and our continuing service programs for parents. I'm really looking forward to the Even Start program because I think Even Start is going to tie into child-adult services and correlate that with our Chapter 1 opportunities in terms of day care, pre-K, and then further tie that into restructuring some of our elementary programs, where we really work on language delay issues with children.

With the Indian population, it's going to be more acute in terms of approach, because you're dealing primarily with a dual language situation as well as some cultural situations. But, I think we have some real opportunities now in terms of Hawkins-Stafford to approach it differently than we have before.

COORDINATION WITH BIA

Mr. CORWIN. One thing Dr. MacDonald has done in the short time he's been with us as Assistant Secretary is build up our relationships with the BIA. Those schools for which we're experiencing an application dropoff are largely the BIA contract schools. They would have more to do, I think, with the staff turnover through their relationship with——

Mr. YATES. Who is "they" in that instance?

Mr. CORWIN. "They"--the BIA—than us. The amount that we provide is much, much less than those schools are receiving from the BIA. I think if we are really to help them out, we have to be working a little bit better with our friends down the street at the BIA. Dr. MacDonald is trying to do just that.

Mr. YATES. That's always been a problem, working better with BIA.

Mr. CORWIN. Yes, sir.

Mr. YATES. For anybody who attempted to approach BIA.

Mr. MACDONALD. We're trying to do something about that, Mr. Yates. Through our Acting Director's office, we've already scheduled one meeting with Assistant Secretary Eddie Brown. Following up on that, we've offered to formalize the relationship, whereby,

first of all, we can get a handle on how they operate versus how we operate. That would be the format for the first meeting, which, unfortunately, we had scheduled for last Thursday when I had to be in Nevada, so we've moved it up a couple of weeks.

Then what we're going to do is go program by program in terms of what we can do with them and how they can deliver those services to youngsters, so that we do not spend monies, for example, on drug-free schools, monies that were transferred over there last year, and we really don't have a handle on how those impacted on children.

We will formalize that relationship and see what we can tie together, not just in terms of the Office of Elementary and Secondary Education, but what other services we can tie into in terms of the myriad of services that go into Indian education today, which total almost $500 million from the Department of Education alone. It needs to be an integrated approach.

Mr. YATES. Would you please give the committee a report for the record on your meetings with BIA?

Mr. MACDONALD. I'd be very happy to.

Mr. YATES. Let us have a critique as to whether or not you think it will work, because if you don't think it will work, we still have BIA to come in here. We have some influence with them. So let us know, and we'll try to be helpful, because, of course, the question of providing education to the kids is of critical importance.

[The information follows:]

COORDINATION BETWEEN ED AND BIA

In an effort to strengthen liaison between the Bureau of Indian Affairs (BIA) and the Department of Education (ED), the Assistant Secretary for Elementary and Secondary Education at ED initiated a series of formal meetings on April 2 with the Assistant Secretary for Indian Affairs at BIA. Assistant Secretary John MacDonald for ED, Assistant Secretary Eddie Brown for BIA, and members of their respective staffs attended the initial meeting to establish the general format for subsequent meetings.

The next meeting is tentatively scheduled for April 27. The two agencies will exchange information on objectives, programs, and operations at this meeting. Additional meetings will focus on specific programs in the two agenices, particularly those that have similar purposes.

FORMULA GRANT PARTICIPATION

Mr. YATES. But I interrupted you in full flight.

Mr. MACDONALD. Well, if I may, one other thing I think we're going to need to do—and we discussed this yesterday in my office—is that there is also the issue of underparticipation. This gets to your question——

Mr. YATES. Underparticipation?

Mr. MACDONALD. In terms of States having populations that could be served. This gets to your issue in terms of, "Is there enough there or is there not enough there?"

I think we're going to have to establish some contact with some of my former colleagues in some of the States where we know populations exist that are not currently being served to the extent that they could be. That's another handle we'll have to——

Mr. YATES. Which areas are you talking about?

Mr. MACDONALD. I'm talking about working with chief State school officers.

Mr. YATES. Out West?

Mr. MACDONALD. I'm talking about Southeast.

Mr. YATES. Southeast? Indian education? Do you mean Florida?

Mr. MACDONALD. I'm talking about places like Georgia, and South Carolina.

Mr. YATES. Somehow I don't have the impression there is a big Indian population.

Mr. MACDONALD. There is a population.

Mr. YATES. And they're not being served?

Mr. MACDONALD. They're not being served as fully as they could be. That's the information I have at this point.

Mr. YATES. Will you report back to us on that, too?

Mr. MACDONALD. Certainly. I'll be happy to.

[The information follows:]

LEVEL OF PARTICIPATION IN FORMULA PROGRAM

For fiscal year 1989, there were six States in which no formula grant projects were funded. All of these States contain some eligible Indian tribes; for example, South Carolina has four State-recognized tribes. Another 13 States had three or fewer projects funded. We believe there are Indian tribes and parents in these States who would be interested in participating in the formula grant program and whose children could benefit from this participation. Some of them may not know about the program or may have been discouraged from applying by local or State officials. We plan to contact State officials to find out which school districts are likely to have the minimum number of Indian students necessary to qualify for funding and then get in touch with officials at those districts.

FORMULA GRANT PROGRAM PARTICIPATION

Mr. MACDONALD. I've got to find out, again in terms of working with my former colleagues, what the extent of the problem is.

Mr. YATES. Why doesn't BIA do something? Is that your fault or BIA's fault? I know the States traditionally have not paid much attention to them, but if they don't do it, somebody up here has to do it.

Mr. MACDONALD. It would seem to me that most of those youngsters are probably now being served by LEAs in those respective States. As such, it would be something that would come under the purview of my office to look into it, to see what the participation rates are. Maybe they feel that the kids are being well served with a variety of different program sources.

Mr. YATES. Why didn't your predecessor look at it? Why didn't Ms. Christensen look at it?

Mr. MACDONALD. I have no idea, sir. I don't think they were aware of it.

Mr. CORWIN. In those southeastern States I believe most of the Indian children would be in tribes not recognized by the Federal Government or served by the BIA, but would be in State-recognized tribes. It's quite possible that they are not making applications for these programs.

TENURE OF ASSISTANT SECRETARY

Mr. YATES. Well, now how long are you going to stay in your job, Mr. MacDonald?

Mr. MACDONALD. Well, sir, I retired once as a superintendent and they asked me to go to New Hampshire. This past summer they called me and asked me if I would think about doing this. I

love kids, and I've spent my life in schools and I think I know a little bit about kids and schools.

Mr. YATES. I want you to stay here. I see that the——

Mr. MACDONALD. I intend to stick around until somebody steps on my——

INDIAN PROGRAM DIRECTORS

Mr. YATES. Well, look at the Directors. We've had John Sam and Frank Ryan and Gerald Gipp and Frank Ryan again. Nobody seems to stay in this office, do they? The only one who seems to stay is Ms. Christensen. [Laughter.]

Ms. CHRISTENSEN. Actually, I'm in another office. [Laughter.]

Mr. MACDONALD. She's in OPBE. It's interesting you raise that point because, if you look at the last decade, 50 percent of the time they've had no one as Director of Indian Education.

Mr. YATES. My gosh.

Mr. MACDONALD. What we're doing now is that——

Mr. YATES. Is that the Department's fault?

Mr. MACDONALD. No. No, it's in the process now of being resolved. For example, the National Advisory Council on Indian Education has a statutory responsibility to recommend candidates for the Director of Indian Education to the Secretary of Education. They completed their search and they filed a letter dated February 23rd which was handdelivered to me on March the 9th. Since that time, I have interviewed all three finalists. In fact, I finished yesterday. I'll be checking their references Thursday and Friday of this week and make a recommendation to the Secretary next week. So, hopefully, we can have this position filled in the next couple of months and provide some stability for that office, which it needs terribly. It really does.

Mr. YATES. Well, but who's been taking the responsibility for it all during this period?

Mr. MACDONALD. We've had Dr. Shedd, and we've also had Dan Bonner who currently is the Acting Director. Dan was wearing many hats until I came on board.

I completed the interviews yesterday. Again, I will have to do the reference check Thursday and Friday. I'll have a recommendation to the Secretary next week.

The vacancy notice only closed on January 12, so we have been waiting on——

Mr. YATES. Have you got enough to do the job?

Mr. MACDONALD. I think so, yes.

Mr. CORWIN. We are, of course, governed by the Federal salary structure.

APPLICANTS FOR DISCRETIONARY GRANTS

Mr. YATES. Okay. Now your budget estimate assumes you're going to reduce by 15 percent the number of students served by competitive grants to Indian-controlled schools, so there would be 6,000 served in fiscal year 1990 and 5,100 served in 1991. Can you afford to do that?

Mr. MACDONALD. I really don't know how to answer that question because I am not sure that we are going to end up with the

same number of applications. Again, looking at the history from 1985 to now, the number has declined——

Mr. YATES. Shouldn't the Committee be giving you the money to make up the shortfall so you don't have that problem?

Mr. MACDONALD. Not if we're going to talk about the BIA schools in terms of the discretionary grants. What we have right now is an amount of $451,000 that we feel we can use in the formula portion. We feel we have enough money for discretionary grants without hurting youngsters at this juncture.

Mr. CORWIN. Over the last couple of years, as we have received fewer applications, we have received concurrently fewer high-quality applications.

Mr. MACDONALD. It's gone from 65 to 50, to two years of 50, and one year of 44, down to 38. It has just been a steady decline. Also, as Tom just indicated, the quality of these applications has declined.

Mr. YATES. Are you working with Indian-controlled schools to make sure they understand how to prepare proposals?

Mr. MACDONALD. Yes, we are, through the program office. In other words, several things have happened. One, we contacted them. Two, we provided technical assistance in terms of, again, reviewing their proposals with them, explaining why, in terms of quality, they were having difficulty, and how they could improve those applications. Through the resource centers, we provided additional technical assistance on grantsmanship and so forth. It has still continued.

Again, talking with the folks in my office, I think the only way we're going to build on this over the years is to pull some people in and really do some in-service work with them on grantsmanship.

EQUALIZATION OF EDUCATION BENEFITS

Mr. YATES. I would think that would be desirable. Can you tell us what has been done to address the Committee's request that you'll look at the issue of equalizing educational benefits rather than looking only at equalizing per-student expenditures?

Mr. MACDONALD. I'd like to defer on that one because that topic has not been discussed.

Mr. CORWIN. I guess we did have a question on that for the record last year and found that we were still some distance, at that point, from determining or quantifying the precise benefits received from these programs. We haven't had a full-scale study of the formula grant program in a number of years. We did review the Indian-controlled schools program perhaps five or six years ago. We'll continue to look at this, but I don't know that we could, within the next year or so, come up with any kind of estimate on what it would take to equalize benefits.

Mr. MACDONALD. In terms of the disparity in funding, right now our formula program is delivering about $140 approximately per-child as opposed to the Indian-controlled schools at about $588 per-pupil, so there is that range there. I hadn't heard that question posed. It's a good one.

SPECIAL PROGRAMS FOR INDIAN STUDENTS

Mr. YATES. Well, if you want to answer for the record with additional material, we'd be glad to receive it, because we think it is an important question.

Now you want to continue special programs for Indian students with a budget of $12,055,000, which gives you no increase for inflation. What could you have done with the additional $900,000 that OMB denied?

Mr. CORWIN. Well, we would have put a little bit more into our educational personnel development program, which is basically a teacher or administrator training program.

Mr. MACDONALD. There are three pieces there.

Mr. YATES. Why shouldn't we give you that money?

Mr. CORWIN. As Dr. MacDonald said, I think we have a good budget here.

Mr. YATES. That doesn't answer my question, does it? It is just kind of a runaround. Shouldn't you be having that money, Dr. MacDonald?

Mr. MACDONALD. I don't know at this particular time. In all honesty, sir, I don't know.

Mr. YATES. When will you know?

Mr. MACDONALD. Probably in a year, when I see how the professional development monies are expended. There are three pieces to that. This whole special programs component has seven pieces in it, three of which relate to career training in a variety of areas. Another one relates, as you know, to the resource centers that we have. Two relate to enhancing educational quality. One of the things I'd like to look at in that area is how much effective schools research is being applied to these schools to assist these youngsters.

Ms. CHRISTENSEN. Mr. Yates, I would just have one comment on that. OMB, overall, has allowed an inflationary increase on large service programs that provide direct services to children. These are ongoing types of activities. When it comes to discretionary kinds of activities, such as we have in Subpart 2, you go down the slate of the projects, and you can fund or cut off at any certain point, and you're not really affecting children who are currently in a program. It is a little different than existing service programs. That's the rationale for having it in one place.

FELLOWSHIP PROGRAM

Mr. YATES. What about fellowships?

Mr. CORWIN. Well that was the other area that we had requested an increase from OMB. Again, we're at level funding.

Mr. YATES. Don't the Indians need that?

Mr. CORWIN. As it happens, we are in the middle now of a review and evaluation of the fellowship program to determine the extent to which the Indians who receive the fellowships complete their degrees, the extent to which they then go into the field for which they are trained, and the extent to which they return to Indian country to practice medicine or law, engineering, or what have you. I think when we finish that evaluation—and it will be done within a year—we'll have a good answer to that.

WISH LIST FOR BUDGET

Mr. YATES. Dr. MacDonald, let's you and I be frank with each other. You're interested, I know, in providing a decent education for these Indian students. You're telling us you've got an adequate budget. OMB has an imprimatur upon you not to ask for more money, yet the only way this Committee can know whether more money is needed is if somebody tells us that we need more money.

We are in the custom of asking our witnesses for what we have called "a wish list." If you had your wishes, and were allowed to have more money, could you tell this Committee how much more money you would want and where you would put it?

Mr. MACDONALD. Not at this juncture.

Mr. YATES. At what juncture could you tell us?

Mr. MACDONALD. Probably within the year, after I have an opportunity to analyze exactly where we are with each allocation and what kind of services are being delivered.

Mr. YATES. This year is going to be lost then, isn't it?

Mr. MACDONALD. It is as far as I'm concerned. This budget has been put together. All the advice that I've had so far, and commentary on it, is that we did figure that we could deliver the services within this budget. If that does not occur——

Mr. YATES. You can't tell us at this point, then, that this budget is adequate for providing the kind of education that you think the Indian kids should have.

Mr. MACDONALD. The only thing I could say about that is at this juncture, I am told that this will deliver——

Mr. YATES. You were told by whom?

Mr. MACDONALD. I am told by my staff that this has been put together to deliver the services, and the services will be adequate in terms of meeting the needs.

PROGRAMS SERVING INDIANS

Ms. CHRISTENSEN. Mr. Chairman, I would add one other thing in that regard. We have about a dozen or so other major programs within the Department of Education that have set-asides or directly serve Indian children or adults. We have an increase of over $20 million in this year. The total budget this year would be over $500 million. Most of these are programs that serve the disadvantaged or handicapped populations.

In addition, very high priority areas such as math, science, and drug abuse programs all have, as I say, specific set-asides or provide services for Indians. We'll be glad to submit that for the record, so that you get an idea of the total impact of the Department programs.

Mr. YATES. Okay. We'd be glad to receive it.

[The information follows:]

DEPARTMENT OF EDUCATION PROGRAMS THAT SERVE INDIANS
($ in thousands)

	FY 1989 Actual		FY 1990 Enacted		FY 1991 President's Policy	
	BA	O	BA	O	BA	O
Department of Education						
Bilingual Education 1/	$10,729	$9,338	$12,273	$12,282	$14,060	$12,213
Education of the handicapped	19,069	18,380	20,016	15,820	20,951	20,963
Vocational rehabilitation	12,374	12,082	12,969	13,413	13,632	13,473
Libraries	1,837	1,808	1,814	1,877	306	1,375
Math and science	687	542	678	763	1,150	789
Drug-free Schools and Communities/Indian Youth	3,475	3,270	3,653	2,639	3,653	3,183
Minority institutions science improvement	426	463	433	334	451	411
Institutional aid program	4,402	3,599	4,889	4,864	5,808	5,267
Vocational and adult education 2/	10,809	8,410	11,010	9,005	10,608	10,802
Chapter 1, ECIA	91,939	73,827	106,762	79,923	114,645	88,486
Indian education	71,553	65,683	73,620	67,810	75,762	71,739
Impact aid	230,053	225,756	238,342	240,910	244,961	249,256
Impact aid construction	11,856	24,012	7,499	14,422	10,000	12,051
Subtotal	469,209	447,170	493,958	464,062	515,987	490,008

1/ Discretionary grants to Indians -- not special program or set-aside.
2/ Based on proposed legislation.

BA = budget authority; O = outlays

OTHER INDIAN PROGRAMS AT EDUCATION

Mr. MACDONALD. In fact, in terms of what Sally is saying, this budget that we're discussing now, this $78 million, is probably the third or fourth smallest in that list. I think the largest piece is Impact Aid, which is over $240 million, impacting on 600 school districts and 104,000 kids. You have another $22 million in P.L. 94-142 monies. We have another, I think, $10 million or $12 million for——

NEEDS OF INDIAN STUDENTS

Mr. YATES. We talked a few moments ago about the discrepancies in allowance for the child between the non-Indian and the Indian populations. Indians have special problems that require special monies, do they not?

Mr. MACDONALD. I think any special population requires special allocations. That has been the history of financial support for schools.

Mr. BONNER. It has to be looked up on as well that these are supplementary enrichment programs, by and large, going to the school districts. An entire view of Indian education would take into account, for example, transportation that is paid to get children to school and——

OVERVIEW OF INDIAN EDUCATION

Mr. YATES. Are you going to look at the entire view of Indian education in this next year?

Mr. MACDONALD. As best I can. We will have a task force, as you are well aware, in terms of, looking at the Indian nations at risk.

Mr. YATES. How often do they meet?

Mr. MACDONALD. On February 21, it was announced in the Federal Register that the task force would be assembled. It is supposed to be assembled next month and the membership announced. As soon as it is announced, their first task will be to complete a study, such as you are suggesting now, and report back within the year.

In the meantime, what I intend to do is just look at what our departmental services are, where they are adequate, and where they are inadequate, and try to make some changes as best I can in the future.

Mr. YATES. Okay. All right. If you've got a wish list, let us have it. If you haven't got a wish list, well, I suppose that we'll look at your budget, then, and hope that it is adequate for the purpose.

Thank you very much.

Mr. MACDONALD. Thank you.

Mr. YATES. Thanks to your staff.

Mr. MACDONALD. It was a pleasure meeting you, sir.

Mr. YATES. Thank you, Dr. MacDonald.

[Additional questions and answers submitted for the record follow:]

ADDITIONAL COMMITTEE QUESTIONS SUBMITTED FOR THE RECORD

STUDY ON INDIAN EDUCATION

Question: In your prepared statement you refer to a study titled: "Indian Nations at Risk," which has been proposed by the Secretary of Education to collect information on problems in Indian education, on successful practices in Indian populations, and on why the educational system is failing these students. How will the study be conducted?

Answer: This study will be conducted under the direction of a task force made up of education experts, members of the Indian community, and others with expertise that will facilitate this work. Staff will be hired or detailed from offices in the Department to perform work related to the study.

The task force will use a variety of means to gather information on current educational programs for Indian students and identify ways to improve the condition of education for Indians. The task force may review existing data and studies relating to the quality of teaching and learning in public and private tribal schools, as well as colleges and universities, and compare the curricula, standards, and expectations of the educational system serving Indian students with those that serve other students. The task force may study educational programs in a representative sample of schools serving Indians and hold public hearings to invite testimony from the Indian community and other education experts on how to foster excellence in schools serving Indian students.

Question: How will your office be involved in the study?

Answer: The program office will serve in an advisory capacity to the task force and the staff who will be working on the study.

Question: What other organizations are involved and what are their roles?

Answer: The Department's Office of Planning, Budget and Evaluation will coordinate the study and provide necessary support services. The Task Force is expected to consult with the National Advisory Council on Indian Education and with officials at the Bureau of Indian Affairs during the course of the study.

DROPOUT PREVENTION

Question: Last year you told the Committee about your efforts to evaluate the effectiveness of dropout prevention programs. What have you discovered?

Answer: Under the Dropout Prevention Demonstration program authorized by Title VI of the Elementary and Secondary Education Act, the Department supported a number of promising local projects in 1988 and 1989. A report from a descriptive survey of the projects conducted in the 1988-89 school year will be completed in May 1990. The survey report on the 1989-90 school year projects will be completed in December 1990, as will the first report of an

impact evaluation. The final evaluation report will be available in December 1991.

Question: How are you adjusting your programs to take advantage of what you have learned?

Answer: Actual evaluation results are almost a year away. However, we do know that, while the initial projects funded in 1988 and 1989 will provide a basis for determining the range of dropout prevention and reentry projects currently in existence, they did not focus on funding comprehensive programs that provide basic skills instruction, counseling, employment preparation, parental involvement, and adult mentors. Research has suggested that comprehensive programs, involving several components, are most effective in preventing students from dropping out of school. The majority of projects funded for 1988 and 1989 involve fewer than 10 hours per week of student contact.

For 1991, the Department is requesting $50 million for dropout prevention demonstrations, program evaluations, and research. The new funding will be used to test and demonstrate effective approaches to dropout prevention and reentry and will involve rigorous evaluations similar to those used for demonstration programs funded by the Department of Labor. Projects begun in 1991 will be funded for up to 4 years. There will be two types of evaluation activities: (1) technical assistance to local projects in collecting data to validate individual programs, along with a national summary of findings; and (2) a national evaluation of selected projects to identify what approaches work best. Up to $2 million each year will be used for the evaluation activities, and $5 million will support research activities, including a national research and development center on dropout prevention.

While continued efforts are needed to reduce the dropout rate, it is also essential to gain hard evidence of programs that work. The extension of the dropout demonstration assistance program, along with added rigor for local evaluations, designation of priorities and models based on research findings, and a national evaluation of selected projects, will assist in providing that evidence.

PROGRAM EFFECTIVENESS AND OUTREACH EFFORTS

Question: The Committee is pleased to see that you have begun a formal review of the Fellowship program to see how many participants have completed their degrees, where they are employed and how they are involved today in the Indian community. When do you expect to complete this study?

Answer: This study is expected to be completed within a year. Program files have been reviewed and school registrars contacted about the current status of students who received fellowships for fiscal years 1985-89. We are awaiting OMB clearance of the survey forms that will be sent to all recipients of fellowships for the five years covered by the study.

Question: What funds are being used for this study and what is its total estimated cost?

Answer: This study is supported by appropriations to the Department for evaluations and studies under the Program Administration account. The study is expected to cost no more than $140,000.

Question: Why are funds for evaluation of your programs in FY 1991 included in the Department's budget rather than in your budget?

Answer: Having the funds for the Department's evaluation activities in one account is administratively efficient. Most of the Department's study and evaluation activities are overseen by the Office of Planning, Budget, and Evaluation. It is easier for this office to manage, coordinate, and monitor evaluation activities if all the funds for these activities are in one account. Under such an arrangement, if a study requires more or less than the amount of funds initially planned, funds do not have to be transferred between accounts.

Question: What control will you have over these studies if they are conducted by the Department?

Answer: The Office of Indian Education is part of the Department. Although the Office of Planning, Budget, and Evaluation has the lead responsibility for most of the Department's evaluation activities, program officials are directly involved in any studies related to their areas of responsibility.

Question: Which specific programs do your expect to be evaluated with the $250,000 in the Department's budget for FY 1991?

Answer: We would expect to evaluate one or two Subpart 2 programs with this amount of money. No decision has yet been made on the specific activities that would be studied.

Question: Last year you told the Committee that you would need $1 million to conduct an evaluation of your formula grant program. When do you expect to be able to perform such an evaluation?

Answer: We have no specific schedule for evaluating the formula grant program. We would like to do it some time in the next few years along with several of the other activities in the Indian Education program.

Question: Would you provide for the record a list, in priority order with cost estimates, of all your programs which you hope to evaluate over the next few years?

Answer: The following are the programs, in priority order, that we would like to evaluate in the next few years, along with rough cost estimates.

Program Activity	Estimated Cost
Educational Personnel Development	$ 150,000
Educational Services	250,000
Adult Education	250,000
Formula Grants to LEAs	1,000,000
Planning, Pilot, and Demonstration	100,000
Regional Resource Centers	150,000

GIFTED AND TALENTED PROGRAM

Question: In FY 1989, Congress appropriated $500,000 for a Gifted and Talented pilot program to be competitively awarded to an accredited Tribal college. You were unable to obligate those funds in FY 1989 and we reappropriated them for FY 1990. What's the status of this program?

Answer: An announcement about the competition for a contract for the gifted and talented pilot program has been published in Commerce Business Daily. Copies of the request for proposals will be available to interested parties beginning April 30. The deadline for submission of proposals is June 26.

Question: When do you expect to award the contract?

Answer: We expect to award the contract for this program in September.

Question: When will you report to the Committee on the results of the pilot program?

Answer: We expect to be able to report on the findings of the pilot program in the fall of 1991.

INCREASED BUDGET

Question: If Congress were to appropriate an additional $1 million for Indian education, what projects would you fund? Please provide a priority list with cost estimates for the record. Also provide a list assuming the addition of $5 million.

Answer: If an additional $1 million were available for the Indian Education program, our first funding priorities would be to: (1) add $500,000 to the resource centers activity to support an additional center to serve grantees in Alaska and provide small increases to the other centers; and (2) add $500,000 to the educational personnel development activities.

If an additional $5 million were available for the Indian Education program, our funding priorities would be to use: (1) $500,000 for the resource centers activity to provide for an additional center to serve grantees in Alaska and provide small increases to the other centers; (2) $500,000 for the educational personnel development activities; (3) $500,000 for the fellowship

program; (4) $1 million for an evaluation of the formula grant program; (5) $500,000 for the adult education program; (6) $500,000 for the educational services program; and (7) $1.5 million for the formula grant program.

PROGRAM ADMINISTRATION

Question: You justify a $45,000 increase for ADP requirements, in part, by saying you need to meet the demands of an increasing workload. Why don't your workload indicators show increases?

Answer: Increases in workload indicators are reflected in the Office of Indian Education's (OIE's) 1991 budget request in terms of approximately 85 additional site visits for both discretionary and formula grants. The increase in site visits is in line with the Presidential accountability initiative and the increased emphasis on program monitoring. OIE staff will also participate in conferences on Indian activities that require additional meetings and workshops to train and provide technical assistance to conference participants on the successful preparation of program applications. Additionally, there will be intensified efforts to join with BIA in cosponsoring meetings and workshops with a special focus on the needs of the BIA-operated schools.

Question: How is your workload increasing? You have said that your applications for competitive grants to Indian-controlled schools have been decreasing.

Answer: Although applications under the Indian-Controlled Schools program have declined in recent years, applications under other programs have increased. For example, eligible applicants under the formula grant program now include BIA-operated schools.

Question: In your budget request next year, will you show the number of applications received as well as the number of grants awarded?

Answer: We will show the number of applications as well as the number of awards in our budget request documents next year.

Question: $30,000 of the requested ADP increase is for your "share" of the Department's Local Area Network installation costs. What will you get for this money?

Answer: Connecting the OIE to the local area network will provide program staff access to data in the computer systems of other offices of the Department and connect the computers located in OIE. Both programmatic and financial data will be able to be retrieved quickly, analyzed, and compiled in reports. Staff will also be able to copy and transfer information within OIE. We believe this will give the office the capacity for better coordination both internally and with other offices in the Department, provide greater analytical capability, and generally improve the efficiency of the office.

Question: How many stations will you have connected to the Department's Local Area Network?

Answer: About 14 work stations in OIE are expected to be connected to the Department's local area network.

TRAVEL

Question: What were your actual obligations for travel in FY 1989, including travel by the National Advisory Council on Indian Education?

Answer: The fiscal year 1989 actual obligations for travel costs for Indian Education were $123,000: $82,000 for OIE and $41,000 for the National Advisory Council.

Question: How can you afford to increase your travel budget by $30,000 over FY 1990 when you can't afford to make inflation adjustments for many of your programs?

Answer: We believe a critical part of our management responsibilities is to monitor and provide technical assistance to as many of our grantees as possible. Travel expenses for site visits are an essential part of program monitoring.

Question: Please provide a detailed comparison of travel expenditures planned for FY 1990 and FY 1991, demonstrating how the additional $30,000 would be used.

Answer: The following is a list of anticipated travel expenditures for fiscal years 1990 and 1991:

		1990		1991	
Office	Activity	No. of Trips	Cost	No. of Trips	Cost
OIE	Workshops at regional centers	10	$ 6,000	10	$ 6,000
OIE	Audits and/or grant monitoring	46	64,000	60	79,000
NACIE	Council meetings	5	27,000	5	27,000
NACIE	Conferences, workshops and site visits	5	6,000	22	21,000
TOTAL		66	103,000	97	133,000

CENTRALIZED ADMINISTRATIVE COSTS

Question: Last year you were assessed a 17 percent increase in the cost for the "common support expenses" paid to the Department. How much are you being asked to pay in FY 1991?

Answer: An amount of $299,000 for "common support expenses" has been requested for fiscal year 1991.

Question: How does that compare with FY 1990?

Answer: The fiscal year 1990 estimated cost for common support expenses is $317,000.

Question: Please explain any increases or decreases for the record.

Answer: The 1991 request of $299,000 for common support expenses represents a decrease of $18,000 below the 1990 estimated cost of $317,000. This decrease is attributable to a decrease in GSA telecommunications costs due to implementation of the Government-wide initiative "FTS 2000" by GSA in 1990, which is expected to decrease significantly the costs of basic long distance voice and data communications.

NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION

Question: What activities are conducted by the National Advisory Council on Indian Education?

Answer: NACIE's primary role is to advise the Department on matters related to Indian education. In addition, NACIE holds Council meetings, conducts oversight reviews and site visits, attends conferences and workshops, and coordinates activities with other Indian education organizations.

Question: How does the Office of Indian Education receive feedback on NACIE activities? Is there a formal reporting process?

Answer: NACIE and program office staff meet on a regular basis to exchange information. There are also frequent telephone contacts between NACIE and various offices of the Department.

Question: How do you incorporate NACIE recommendations into your programs?

Answer: There is no single means of incorporating NACIE recommendations into program activities. It would depend on the nature of the recommendation.

Question: Are any changes planned for FY 1991 with respect to the operation of NACIE? Please provide details for the record.

Answer: NACIE hopes to increase its contacts with other Indian organizations in fiscal year 1991 to share information on program activities and work together to identify educational methods that are successful with Indian students. NACIE will serve in an advisory capacity for the Indian Nations at Risk study that will be underway in fiscal years 1990 and 1991.

Question: Please provide for the record a list of NACIE members and a schedule of meetings planned for FY 1990 and FY 1991.

Answer: The Council members are listed below, along with tribal affiliations, place of employment or residence, and date of expiration of appointment:

Chairperson: Eddie L. Tullis (Creek) Atmore, AL 9/29/88	James A. Hunt (Lumbee) Lumberton, NC 9/29/89
Ronald P. Andrade (Luiseno) Washington, D.C. 9/29/90	Omar J. Lane (Creek) Salt Lake City, UT 9/29/89
Andrea Barlow (Shoshone-Bannock) Pocatello, ID 9/29/89	W.L. "Buck" Martin (Stockbridge-Munsee) Madison, WI 9/29/90
Robert Chiago (Navajo-Pima) Scottsdale, AZ 9/29/89	Margaret Nelson (Cherokee) Stillwater, OK 9/29/90
Marie Cox (Comanche) Midwest City, OK 9/29/89	Helen M. Scheirbeck (Lumbee) Pembroke, NC 9/29/90
Gloria Duus (Navajo) Ft. Washington, MD 9/29/90	Jim Shore (Seminole) Hollywood, FL 9/29/91
Joan K. Harte (Menominee) Chicago, IL 9/29/91	Darius K. St. Paul (Colville) Omak, WA 9/29/91

There is one vacancy on the council due to a resignation. The terms of several members have expired, but they are authorized to continue to serve until reappointed or a successor is appointed.

The following are the Council's fiscal year 1990 meeting activities. Some have already taken place.

October 7-11, 1989, full Council meeting, Anchorage, Alaska

February 22, 1990, Search Committee meeting, Washington, D.C.

February 23-24, 1990, full Council meeting, Washington,D.C.

April 2-4, 1990, Proposal Review Committee meeting, Washington, D.C.

April 23-24, 1990, Proposal Review Committee meeting, Washington, D.C.

August 1990, tentative Executive Committee meeting, location to be determined

The Council's anticipated fiscal year 1991 activities are as follows:

October 13-17, 1990, full Council meeting, San Diego, California

January 1991, Executive Committee meeting, location to be determined

April 1991, Proposal Review Committee meeting, Washington, D.C.

Full Council meeting, date and location to be determined

Executive Committee meeting, Washington, D.C., date to be determined

WEDNESDAY, MARCH 28, 1990.

INSTITUTE OF AMERICAN INDIAN AND ALASKAN NATIVE CULTURE AND ARTS DEVELOPMENT a/k/a/ INSTITUTE OF AMERICAN INDIAN ARTS

WITNESSES

KATHRYN HARRIS TIJERINA, PRESIDENT, INSTITUTE OF AMERICAN INDIAN ARTS

GAIL BIRD, MEMBER, BOARD OF TRUSTEES, INSTITUTE OF AMERICAN INDIAN ARTS

JAMES SANTINI, MEMBER, BOARD OF TRUSTEES, INSTITUTE OF AMERICAN INDIAN ARTS

YEMIA KIAMICHI, DIRECTOR OF ADMINISTRATION, INSTITUTE OF AMERICAN INDIAN ARTS.

Mr. YATES. This morning we have the appropriations for IAIA, and appearing in support of that appropriation is Ms. Tijerina.

Ms. TIJERINA. That's right.

Mr. YATES. Ms. Tijerina, the president of IAIA; Ms. Bird. You're a member of the board of trustees. We're glad to have you. And Mr. Santini, who is an old friend, a member of the board of trustees. I didn't know that you were an arts fellow.

Mr. SANTINI. A passionate enthusiast, Mr. Chairman.

Mr. YATES. Okay. Good. [Laughter.]

All right, and, Ms. Tijerina's biography may go into the record at this point, as may Ms. Bird's.

[The biographies of Ms. Tijerina and Ms. Bird follow:]

KATHRYN HARRIS TIJERINA

President - Institute of American Indian Arts

Director - Indian Resource Development, NM State University
Administered state-wide program to assist Indian students in science, engineering and business.

Deputy Secretary - Natural Resources Department, State of NM
Manage programs in State Parks, Forestry, Soil & Water conservation, and natural resource planning and review.

Indian Affairs Specialist - U.S. Department of Energy
In the Office of Inter-governmental Affairs, responsible for all aspects of Indian energy issues, including a grants program.

Counsel - U.S. Senate Committee on Indian
Drafted and oversaw federal Indian legislation.

Legislative Assistant - U.S. Senator James Abourezk

Attorney - American Indian Policy Review Commission
A Joint Commission of the U.S. Congress

Honors: One Hundred Young Women of Promise, Good Housekeeping - May 1985
Superior Achievement Award, U.S. Department of Energy - 1982
Certificate of Appreciation, American Indian Law Students Association.

Serving: National Institute for Women of Color - Founding Board of Directors
Berkeley Women's Law Journal - national Advisory Board
National Organization of Native American Women - elected National Officer 1988

Doctor of Jurisprudence - Stanford Law School 1975
Member of District of Columbia Bar
B.A. Magna Cum Laude - Harvard, 1972

Born January 12, 1950, an enrolled Comanche Indian, married to Manuel Tijerina

GAIL BIRD
Jewelry Designer
Box 277
Ojo Caliente, New Mexico 87549

Born Oakland, California March 30, 1949
Education University of Colorado Boulder, Colorado 1973-1975
University of California Berkeley, California 1966
No degree

1990-1988 Board of Trustees, Institute of American Indian and Alaska Native Arts and Culture Development, Santa Fe, New Mexico
Currently serve on following committees: Executive Board-At-Large Member, Academic Affairs, Administration and Planning, Building and Self-Study

1990-1981 Advisor, consultant and panelist to various New Mexico arts organizations including: Eight Northern Pueblos, Laboratory of Anthropology, Museum of New Mexico, New Mexico Arts Division, Southwestern Association on Indian Affairs, Wheelwright Museum of the American Indian

1990-1983 Lecturer on Historic Southwest and Contemporary Jewelry
Have lectured to groups affiliated with Crow Canyon Archaeological Study Tours, Smithsonian Associates Study Tours, Field Museum, Millicent Rogers Museum and Recursos de Santa Fe

1989- Featured in PBS series "The Collectors," speaking on the art of jewelry and collecting

1988-1987 Board of Trustees Wheelwright Museum of the American Indian Santa Fe, New Mexico

1986-1981 Board of Directors Southwestern Association on Indian Affairs Santa Fe, New Mexico
1986-1983--Chaired Education Committee, Scholarship and Fellowship Programs

Since 1979, in collaboration with partner Yazzie Johnson, have shared the following major awards and honors.

Awards

1982-1980 Best of Division Non-Traditional Jewelry SWAIA Indian Market Santa Fe, New Mexico

1981 Best of Show SWAIA Indian Market, Santa Fe, New Mexico

1980 Otero Creative Excellence Award SWAIA Indian Market, Santa Fe, New Mexico
Southwestern Association on Indian Affairs Artist and Craftsman Fellowship

Public Collections

Indian Arts and Crafts Board Washington DC
Laboratory of Anthropology, Museum of New Mexico Santa Fe, New Mexico
Millicent Rogers Museum Taos, New Mexico
Museum of Man San diego, California
Wheelwright Museum of the American Indian Santa Fe, New Mexico
Albuquerque Airport Collection, Museum of Albuquerque Albuquerque, New Mexico

Mr. YATES. A jewelry designer? Is that your design that you're wearing?

Ms. BIRD. Yes.

Mr. YATES. Very handsome.

Ms. BIRD. Thank you.

Mr. YATES. What kind of stone is that?

Ms. BIRD. Snowflake obsidian.

Mr. YATES. Snowflake obsidian?

Ms. BIRD. Yes.

Mr. YATES. Beautiful. I'm mostly used to the onyx and—not the onyx, the green stone.

Ms. BIRD. Turquoise.

Mr. YATES. Turquoise in Indian jewelry. Obsidian?

Okay, now we have a budget estimate, and the statement of Ms. Tijerina, which may go into the record at this point.

[The prepared statement of Ms. Tijerina follows:]

Institute of American Indian Arts

On the Campus of the College of Santa Fe • St. Michael's Drive • Box 20007 • Santa Fe, New Mexico • 87504 • 505/988-6603

T E S T I M O N Y

before the

House Committee on Appropriations

Subcommittee on Interior and Related Agencies

by

Kathryn Harris Tijerina, President

INSTITUTE OF AMERICAN INDIAN ARTS

March 28, 1990

Mr. Chairman and members of the Subcommittee on Interior and Related Agencies, thank you very much for affording me this opportunity to present testimony on behalf of the Institute of American Indian and Alaska Native Culture and Arts Development, also known as the Institute of American Indian Arts (IAIA), which is located in Santa Fe, New Mexico. I am Kathryn Harris Tijerina. As an enrolled member of the Comanche Tribe, I am honored to serve as the first President of the newly reconstituted Institute of American Indian Arts.

With us today are two of the members of the Institute's Board of Trustees who are here to show their support to IAIA. Ms. Gail Bird from the Laguna and Santo Domingo Pueblo Tribes in New Mexico, is a nationally renowned jeweler and represents the Executive Committee of the Board of Trustees. Former Congressman James

Santini is the Chairman of the Finance Committee. Mr. Santini resides here in Washington, D.C. Also accompanying us today is Ms. Yemia Kiamichi of the Choctaw Tribe who is the Director of Administrative Services for the Institute. Mr. William Johnson, the Chairman of the Board of Trustees is recovering from an operation and regrets that he could not be with us today.

The Institute is very pleased to be here before this Committee. It was the Congress after all who created the Institute. The legislation, establishing the Institute, produced a system that retained the accountability and integrity of the government without being enmeshed in bureaucratic entanglements. Based on the new Congressional mandate the Institute has encountered a well spring of support from Indian people across the nation. IAIA has received great interest and encouragement from the citizens of Santa Fe this year. In addition, the Institute was blessed with a carefully selected Board of Trustees that have proven invaluable in their expert guidance and commitment to the Institute and the goal of quality education for Indian people. Under their supervision and the support of each of you in Congress, the Institute has made great progress since the last opportunity to meet with your committee.

Success of the Past Year

Student Achievement

Student enrollment is up by 52% this semester. In January of 1989 the Institute had a total student body of 157. This was already

a substantial increase from the 120 in 1988 under BIA control. The Institute of American Indian Arts is very proud to testify that for the spring semester of 1990 there are 239 students enrolled. In last year's testimony the Institute established an enrollment goal of 200 over the next two academic years. IAIA has exceeded the goal--faster than expected.

Of the 239, 103 are new students. There were 162 students who applied of which 116 were admitted. The IAIA students come from seventy-six Tribes from twenty-four different states of the union. Twenty-five students are enrolled under a special outreach effort with the nearby Santo Domingo Pueblo Tribe. This project is separately funded through the Tribe by the Job Training Partnership Act.

For the first time in over 10 years, both the artistic potential and academic preparation of applicants were of central concern to admissions. The Institute wants to assure that a student who comes to the college is one who can benefit from the program and from whom the IAIA program will benefit. It has not been easy. However, the Institute believes that by focusing even more effort on its recruitment next year it can continue to improve the qualifications of all students accepted.

IAIA is extremely proud of the accomplishments of our students. Forty-eight IAIA students made the honor roll with a G.P.A. of 3.00 or better, in addition seven students have been nominated

for Who's Who in American Junior Colleges this year. IAIA students participate in the National Dean's List, which requires a G.P.A. of 3.5 or better for three semesters; the Institute has had one Truman Scholarship winner.

Michael Brown, an IAIA graduate this past May, received a full scholarship to the San Francisco Art Institute, and as an extension of the scholarship, will be attending Yale University's summer program for painters. Jeffrey Valdo was selected in February of this year as the first recipient of the $500 Kristin Larsen Memorial Award for his artistic endeavors. Students Pilar Agoyo and Terrance Otis were selected to display their fashion designs at the Fashion Show for the Cincinnati Women's Club in Ohio. All expenses were paid by private donations.

IAIA students face many challenges in the rigors of artistic training and scholarship. But the students are also well rounded. Recently IAIA students won first place in a Men's Intramural Basketball tournament in Santa Clara Pueblo, New Mexico. One of the IAIA students was selected Most Valuable Player in the Southwestern Indian Polytechnic Men's Basketball tournament.

Program Achievement

In the Institute's last testimony to this Committee the importance of expanding the academic offerings of the Institute in order to begin meeting IAIA's Congressional mandate was discussed. The

Institute is pleased to report that it has added two new categories of classes and two new proposed majors. The Institute initiated a course in the Business of Art. This course trains budding artists in the practical money and contract management aspects of their craft. The Institute has also begun for the first time offering courses in Architectural Design. Students learn the principles and design elements in architecture. Advanced students receive architectural drafting and graphics training. We believe that these additional course offerings are important steps in meeting some of the existing needs of Indian country.

Even more exciting are the Institute's two new majors. In the early days of the Institute there was an active performing arts section but it dwindled away in the bleak days of the last ten years. With the Congressional revival of the Institute, the administration was again in a position to pursue the deep interest the IAIA students held in performing arts. In the Institute's self-study to the accrediting body Performing Arts as a new major was proposed.

Classes were offered for the new program this semester. This spring the Institute has courses in Native American performing arts, production, American Indian music and dance traditions, performances and traditional American Indian flute music. These courses have caused such excitement among the student body that seventy-eight students have signed up for the performing arts courses.

The second new major being proposed is Communication Arts. The new department has been established and includes courses in lettering, graphics, film and video. Fourty-one students signed up for these classes this semester. The film and video classes in particular have afforded the students the opportunity for experiential learning. One film, "Indian Is", was produced in class by students. It is of sufficient quality to be submitted for competition to the IMAGES 90 Festival of Independent Film and Video in Toronto, Canada. Students have been directly involved in the production of public service announcements currently being shown on TV around the nation. Most importantly, the Department is making available to Indian students the opportunity for new careers which have previously been out of reach.

The department has been largely funded through a contract with the Department of Commerce, Bureau of the Census. The Institute is providing promotional and educational materials to the Census Bureau for use in promoting Native American and Alaska Native participation in the 1990 Census. Based on former student David John's artwork, one of the posters the Institute created for this campaign won the first place Paragon Award of the National Council for Marketing and Public Relations. Another former student Denise Wallace's jewelry work was made into a poster for Alaskan Natives. This poster will be entered in the Graphis Poster '91 Contest in Zurich, Switzerland. The Institute's relationship with the Census Bureau will continue and be expanded to other governmental agencies and non-governmental organizations. The Institute can provide

a unique service to government agencies and other institutions providing access to and the involvement of a broad range of Native American resources.

Administrative Achievement

The Institute of American Indian Arts has had a successful academic year. The Institute went through an intensive national search and brought a new president to the IAIA team. There was a smooth transition and separation from the BIA. The IAIA Foundation and the newly created development office have begun private fund raising efforts. Our first independent financial audit was successful. The Institute finished fiscal year 1989 within budget.

In this past year an employee benefit package had to be developed because after separation from the BIA all IAIA employees were otherwise without benefits. A new personnel and evaluation system which was attuned to the needs of a fine arts college also had to be created and implemented. Faculty of the highest caliber have been hired to replace those who left during the transition of July, 1989. IAIA is currently involved in a national search for two major positions, a Director of Art Studies (Dean of Fine Arts) and a Museum Director. Sixty-six percent of the Institute's employees are Indian.

Last year the Institute promised this committee to use more part-time and temporary faculty and staff. Because of all the

new courses and with the substantial increase in student enrollment, the Institute has had to hire more people than was previously anticipated. The Institute was successful in keeping the total salaries down below last years figures. The Institute has more employees than last year, for less money. The savings were enhanced by the severance and retirement of employees under the old BIA system which had high salaries based on seniority. Most of the new faculty and staff were hired at entry level. The Institute was able to accomplish savings in part because IAIA made more use of part-time and temporary faculty and staff as was promised.

The Institute has been able to markedly increase the quality of employees during this transition. The Institute has been truly fortunate to hire people at salaries significantly lower than they were making at some of the best art schools in the country. High quality faculty are willing to come to the Institute because they are excited by the potential. They believe in what the Institute is striving to accomplish. Many are eager to work with talented Indian students. Some are seeking the improved quality of life that Santa Fe can offer. IAIA has put together a dynamic team.

However, there is a limit to the sacrifices people are willing to make. To retain the best faculty on a long term basis the Institute needs to consider moving toward a salary range that is comparable to the national average. Further, the Institute has not found the use of part-time faculty successful for some fields. Therefore for the FY '91 request, IAIA has justified the need for

additional key faculty and staff positions. As the Institute evolves employee salaries and benefits must keep pace with comparable schools.

Last year the Board committed to this Committee to bring the Institute out of the BIA morass and into an area of fiscal integrity. The first independent audit of IAIA was successful. In December, 1989, the independent auditors reported "the financial position of the Institute at September 30, 1989, and the changes in fund balances and the current funds revenues, expenditures, and other changes for the year then ended in conformity with generally accepted accounting principles." The full audit was included in the Institute's annual report to Congress.

The Institute has now reached the maximum number of students for current facilities and faculty in some areas. The Institute has 105 dorm rooms which house 153 students at full capacity. The comfort of these rooms have been greatly improved with the new furniture from the current appropriation. It is important to note that the average age of IAIA students is twenty seven. It is often difficult for the older students who have been out on their own for years to start living in small double rooms with strangers. There is no on-campus housing available for student with children. Twenty-nine of the IAIA students currently live off campus. This is a significant economic hardship for these students. Santa Fe has a high cost of living compared to most reservations. One of the most compelling reasons to move rapidly on building the new

campus is that the Institute's future growth and potential are severely constrained by the current rented facilities.

In last years testimony, the Institute reported that it had received a private donation of one hundred and fifteen acres of land for the site of our much needed campus. After a national search the Institute selected a Project Manager, Edmund Gonzales, to supervise both the new campus and museum renovations. Mr. Gonzales is an Engineer with over sixteen years of experience and was formerly Lt. Governor of the nearby San Ildefonso Pueblo Tribe. Under his supervision, significant progress has been made in surveying the land including the donation of fifteen more acres. The Institute has also begun the initial land planning processes needed for building on undeveloped land.

To oversee both the development of the new campus and the museum renovations a Building Committee was formed. The Committee is made up of representatives of the Board of Trustees, the staff, the students, the Indian community and the Santa Fe community. The Building Committee has moved rapidly on the museum renovations.

During the 1989 session Congress conveyed the Old Federal Building in downtown Santa Fe to the Institute to house its museum. Additional monies were appropriated for its renovation. The Institute stated during the last testimony before this subcommittee that the permanent collection was to be moved as soon as possible. Unfortunately, the Institute did not gain custody and accountability

of the building from G.S.A. until January 25, 1990. Further, examinations revealed that the unrenovated basement space was not appropriate for collection storage. Therefore, only the most valuable pieces from the permanent collection were moved to the large vault in the building.

In accordance with the requirements of Indian Preference the firms of Antoine Predock Architects and Lou Weller and Associates were selected by the Building Committee. Predock, an internationally renowned architect, recently received the award for Achievement in Excellence in Architectural Design from the American Institute of Architects. Weller, a member of the Caddo Tribe, has an excellent reputation for his architectural work across Indian country. The architects are in the program phase and are working closely with the Institute on community outreach efforts to insure community involvement in the museum renovations planning. The total renovation project is estimated to take 16 months. IAIA anticipates the completion of renovations by June, 1991. In the meantime, the Institute is keeping an active exhibit schedule for the public at its old museum location on Cerrillos Road.

It is the objective of the Institute, consistent with the direction of the Congress, to raise private monies to build an endowment to support operating expenses and create a building fund for the new campus. A development planning firm has been engaged for this purpose. In addition, Barbara Gregg has recently been hired as Development Director. She held the same position for Colby Sawyer

College in New Hampshire. A "Friends of the Institute" program is underway. The brochure for this program won the first place Addy Award in the color brochure category which was awarded by the Santa Fe Ad Club. A major Endowment and Capital Campaign is in the planning stages. It is expected that in the next 5 years the Institute must make substantial progress in privately raising up to $50 million to help build the campus, install the museum in the Old Federal Building, match Congressionally appropriated Endowment Funds and contribute to operational expenses. The Institute will continue to ask for basic support from Congress. The continued federal commitment to Indian education and Indian art is greatly appreciated.

To facilitate private fund raising, an Institute of American Indian Arts Foundation has been formed with the sole purpose of raising private monies. The Foundation will have a separate Board appointed by the Institute's Board of Trustees. Investment responsibilities, however, will be maintained with the Institute's Board of Trustees. The Foundation has been granted a 501(c)3 tax status by the IRS.

The outlook for the future of the Institute is optimistic. Two new degree programs have been put forth by the Institute for accreditation. Student enrollment continues to increase, limited only by dormitory space and scholarship funding. Faculty, staff and students have cooperated to work on a new faculty handbook, a revised personnel policy manual, a revised student handbook and an updated and comprehensive college catalog.

Building For the Future

The Institute of American Indian and Alaskan Native Cultural and Arts Development is requesting $6,124,450. This is an increase of $1,774,450 of which $100,000 is for endowment and the rest is for operations.

In order to continue to improve the Institute and meet the Congressional mandates IAIA must have increased funding. Our budget request has been prepared to enable the Institute to meet its mission for fiscal year 1991. Highlights of additional funding includes:

- **Arts Department**: With expanding enrollment and additional degree programs comes the need for additional instructors. $273,000 is being requested to fund 6 new FTE's on the art faculty. New positions will be in painting, photography, arts foundation, business arts and an arts technician. IAIA is currently severely under budgeted in arts supplies and equipment. Acquisition of needed supplies and equipment including musical instruments for the new performing arts department requires an increase of $75,000. The Institute is also requesting $8,900 as matching funds for an Naropa Institute grant in the creative writing area.
- **Student Development**: The admissions department is requesting $16,000 additional funding to continue to improve recruiting efforts in response to the Congressional mandate. The request

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includes funds for the improvement and next edition of the College catalog. To assist students who are underfunded by their tribal grants the Institute is requesting an additional $6,000 as the matching portion of the College Work Study Program. Housing and counseling is requesting $22,000 for replacement of old mattresses in the dormitories and needed gym equipment. $66,000 is requested to cover increased costs in the Institute's food service program resulting from increased enrollment, off campus students being afforded meal tickets and inflation in food service costs.

- **Cultural Research and Exchange:** This newly developing department has need for 2 additional positions, a Native American Studies Department Head and an ethno-scientist, estimated cost $60,000. Curriculum development in an expanding department is critical - the Institute is requesting $6,000 and $16,200 for supplies and equipment respectively. The Learning Resource Center is in the start-up phase and requires $20,000 to initiate operation. The newly blossoming communication and graphic arts department is requesting $12,700 for supplies and equipment.
- **Museum:** IAIA needs to add a museum conservator and an exhibits director to the staff to make proper use of the new museum facility - cost: $57,000. The renovated space will require an additional $20,000 for storage cabinets and shelving for housing the collection. $19,200 will be required for setting up exhibits during the year and $79,600 for contract contruction for exhibits. $60,800 is requested to match various grants including the reinstallation of the permanent collection. In addition we are asking for $20,000 for new acquisitions.

- **Development Office:** Two additional positions ($46,750 for a staff position and a secretarial position) are required to support the new Development Director. An additional $11,500 is requested to publish and distribute promotional materials and support travel expenses during the solicitation of private funding for the Institute.
- **Facilities:** The lease of facilities and grounds is anticipated to increase by $40,000 due in part to the need for additional space to house new classes and space for the new portable buildings, as well as increases in general maintenance costs. IAIA is in desperate need of more classroom and studio space. The Institute would like to purchase 2 portable buildings that could later be moved to the new campus - cost $104,500. The only alternative is to put a considerable amount of money into World War II barracks owned by the College of Santa Fe. Security and maintenance costs on the new museum are estimated at $110,000. CSF requires IAIA to pay for all non-routine maintenance costs associated with the leased facilities - i.e. proper ventilation for photography plus necessary renovation to make the spaces more functional - therefore, the Institute is requesting $20,000. The project manager for the new campus development is in need of a staff person ($32,000), a project vehicle ($15,000) and contracted architectural and engineering services ($50,000) as planning for the new campus begins.
- **Administration:** Funds are being requested to improve IAIA's employee fringe benefit program in order to help attract and keep high quality employees. The current benefit level is

sub-standard in relation to other educational and government institutions. Increases requested are $40,000 to maintain IAIA's current medical/dental coverage for current and projected additional employees during this time of soaring costs in these areas and $95,000 to provide a pension plan for IAIA employees. $103,000 is requested to cover a one-time expense of severance pay created by the BIA during the transition and passed on as a liability to the Institute. An additional $74,350 is requested to continue phasing in the computer system so desperately needed by the Institute for day-to-day operations as well as instruction. The computer system requires an operator -necessitating an additional administrative staff position and $30,000 to fund it. The archaic telephone system is in need of updating -estimated cost - $10,000.

- **Board of Trustees**: $18,400 is requested to fund additional committee meetings for the Board of Trustees. Because of the rapid growth and abundant amount of changes necessary to bring the Institute into the future, the Board committees will be required to meet more often on long-range planning, for the new campus for example.
- **Endowment**: The Institute is requesting $350,000 for the endowment fund which is an increase of $100,000 over last year's appropriation. This request is well under the $500,000 a year authorized by Congress. This $350,000 was approved in the President's budget.

The Institute's request to Congress was not included in the President's budget, despite the appropriation language from last session. Rather, the amount appropriated last year ($4,350,000) was reduced by the Graham-Rudman cuts ($4,180,000) and a formulaic increase was applied, resulting in OMB's request of $4,347,000. This amount is not sufficient to meet the 1991 needs of the Institute.

The Institute has a very small budget and the Graham-Rudman cuts last year had a major negative impact in this years budget. The Arts Department, Development Office and Project Manager were under supplied as a result. The Institute requests that the Committee consider this in the current appropriations request. The Institute fervently hopes that the final appropriation be sufficient to cover any future Graham-Rudman cuts without an unduly onerous affect on the Institute's operations.

The Institute continues to be concerned about the timely transfer of appropriated funds from the Treasury Department to the Institute. The Institute is requesting appropriation language to minimize the 5 to 8 weeks delay that IAIA has experienced in the past two years. A 2 month delay in receiving operating funds can cripple an institution as small as IAIA and seriously impact the relationship with our vendors. IAIA recommends the inclusion of the following language in our appropriation: "The Institute of American Indian and Alaska Native Culture and Arts Development (IAIANCAD) shall serve as its' own certifying agency with the United

States Department of Treasury for the release of funds appropriated to IAIANCAD."

These requests for the FY 1991 appropriation would enable the Institute to continue its growth toward meeting the total legislative mandate and fulfilling the mission as it was set out by Congress. We feel that your continued support is crucial to the future of the Institute and are grateful for your support which has enabled us to come this far.

Mr. Chairman and Members of the Subcommittee, I thank you for this opportunity to speak with you on behalf of the Institute today and welcome any questions you may have.

Mr. YATES. All right. And you're a member of the Comanche tribe?

Ms. TIJERINA. Yes. I think you know my mother, LaDonna Harris.

Mr. YATES. Oh, yes, of course I do. It never dawned on me that your middle name was related to LaDonna, and I knew your father, the senator, very well, too.

Okay, now tell us why you want so much money.

[Laughter.]

Ms. TIJERINA. Well, Congressman, we're really glad to be here and have a chance to tell you exactly that.

Mr. YATES. Okay, all right.

Ms. TIJERINA. We know that we wouldn't be here, in fact, at all if it weren't for you and your support and the kind of energy you've given us. We feel that you've given us a chance to prove what we can do, and we've tried to accomplish a lot in the last year.

I came on in August of last year as the president, after a national search. You know, I think better than most people, what it was like at the Institute under the BIA and how bleak things had gotten at one point. Now we've been able to make a smooth and thorough transition out from under the Bureau of Indian Affairs. As a result of that, the kind of work we have been doing, and the kind of support we've gotten from the board of trustees, who really believe in Indian education and what the Institute's trying to do, we've gotten a great increase in credibility around Indian country.

We've received all sorts of letters from alumni around the country saying how pleased and proud they are now to be part of what the Institute is about. We've gotten information from tribal chairmen, like Eddie Tullis down in Alabama, who said that they're really pleased to see the direction that we're going in.

One of the real results that we've seen from that kind of credibility is an increase in our students, the number of students that we have.

Mr. YATES. How many do you have now?

Ms. TIJERINA. We are up to 239 now. As we promised the Committee last year, we would set 200 as a goal within two academic years. We've achieved our goal greater than expected and much faster than we had expected. It is a 52 percent increase this semester in enrollment.

We now have students that represent 76 different tribes in 24 different States. So it really is a national program and has national outreach.

Most of all, we're very proud of how the students are doing. We've listed in our hearing record on pages 3 and 4 the kinds of accomplishments our students have been involved in and what they've been able to do, just to give you a flavor of some of the things that we've been able to produce with our students.

One of the things that we've done for students is, as we promised last year to this Committee, we've expanded the program offering that the Institute has. We are now offering courses in architectural design and in business and the arts. We are proposing two new majors to our creditation bodies, one in the performing arts, which was an original part of the Institute of American Indian Arts, and

also in the communications arts. In communications, we include not only graphics, but film and video.

Mr. YATES. I'm very impressed. Is that a two-year course or a four-year course?

Ms. TIJERINA. These are still two year, associate of fine arts degrees.

The board of trustees is interested in expanding, but we have to do a lot of planning to get to that point. We will be looking at a four-year institution down the road.

We're particularly pleased with the communications arts because, in addition to opening up a whole new area of careers for Indians that really haven't been within the reach of Indian people, we've also got the students directly participating in film and video projects. One of the student films, for example, is going to be submitted to a film festival in Toronto, Canada, which we think is very exciting. It's something that they've done themselves.

They also participated in public service announcements that the Census Bureau hired the Institute to do on behalf of marketing the Census out to Indian country. The Census, instead of going to an advertising agency in New York, decided that if they really wanted to communicate with Indian people, the best way to do it was to ask Indian people to help. We have taken on the task of marketing the Census, the 1990 census, throughout Indian country. Our students have been directly involved in the process. They are not only on the TV slots themselves, but helped produce the TV slots that they now see running on public TV. So that's very exciting.

This is what our show-and-tell is about. These are posters which were developed for the Census Bureau. They're all based on student or alumni work. In this Alaskan poster, it's jewelry that was made into a poster specifically targeted for the Alaskan natives. That poster is going to be submitted for competition, an international competition, in Switzerland.

Mr. Johns' art work was made into a wonderful poster for Indian country, and it won the first place in the Paragon awards.

Mr. YATES. Which is Mr. Johns'?

Ms. TIJERINA. This purple and pink one right on the easel.

Mr. YATES. Oh, okay.

Ms. TIJERINA. With the faces.

So, it's just——

Mr. YATES. They're beautiful posters. Who did these posters? Mr. Johns did one, obviously, but——

Ms. TIJERINA. He did the art work for it, and then our Institute staff took that art work and made them into posters, did the design for them and produced them, all under contract with the Bureau of Census.

Mr. YATES. I see. Did Mr. Johns do the art work for all of these?

Ms. TIJERINA. No, just this one——

Mr. YATES. Just one. Who did the art work for the three that are under the window?

Ms. TIJERINA. The middle one was done by Larry DesJarlais. The one on that far side was done by a woman from Washington State, Denise Wallace.

And the Plains one was done by Jerry Ingram. He is the artist for that.

Mr. YATES. They're awfully good. They really are.

Ms. TIJERINA. Well, we'd be glad to get you copies of all of them, if you'd like. We're giving them out free.

Mr. YATES. Well, if you look around the room here, I think that they would be a very worthy addition——

Ms. TIJERINA. Okay, great.

Mr. YATES [continuing]. To what we have up here.

Ms. TIJERINA. Well, thank you. I appreciate that. We feel proud, and it's just an example of the kinds of things, the new fervor and interest of what's happening at the Institute to help justify the faith that the Congress has put in the Institute.

In addition, we've tried to make real strides in the administration area. These areas aren't nearly as glamorous or interesting, but they're the solid kind of basis on which the Institute is going to be made. We've had to put in totally new systems in terms of administration, recordkeeping, personnel, and employee benefits. We've had to hire—when we broke with the Bureau of Indian Affairs and are no longer under Civil Service, many people chose to stay with the Civil Service system. So we had over 17 people which we had to replace. In addition to that, because of the increased enrollment and the new programs, we've had to hire more people than we had originally anticipated.

But, we have been able to do that. We've hired more people for less money than we spent last year on salaries.

Mr. YATES. Good.

Ms. TIJERINA. And we think that the quality of the people has been greatly increased as well. These people are people that we've stolen from wonderful art institutes around the country, the San Francisco Art Institute, the Carnegie-Mellon Art Institute. The person heading up our communications department is——

Mr. YATES. These are not Indian people?

Ms. TIJERINA. Some of them are. George Burdeau, who heads up the communications art department, is one of the few Indians who is a member of the Directors' Guild. So, we are very fortunate to get someone—he's a Blackfoot Indian.

Mr. YATES. Time out for just a minute.

Ms. TIJERINA. Certainly.

[Brief recess taken.]

Mr. YATES. Okay, you may proceed.

Ms. TIJERINA. Thank you.

In a more general answer to your question, Congressman, 66 percent of our staff and faculty are American Indian, members of Federally-recognized tribes.

Mr. YATES. Okay.

Ms. TIJERINA. We think we've gotten some of the very best quality people. We're really excited about the team we've put together, but we do feel that, having brought them in now at entry level, we are going to have to be able to keep pace with what comparable schools are doing in terms of salaries and employee benefits. With these new programs and increased enrollment, we are asking in this budget for additional faculty and staff positions, which we've documented for you. We feel that that's a very important part to keeping the Institute going on an even keel.

We think the issues of fiscal integrity are very important ones. We were concerned about the recordkeeping and things that were happening at the Institute under the prior control. We've been very careful to try to institute those things which will reflect the kind of accountability that we think the Institute ought to have.

We've had our very first independent audit of the Institute, and it was a success. We're very proud of it.

Mr. YATES. Isn't that great.

Ms. TIJERINA. Mr. Santini was the head of the finance committee for the board of trustees, and Yemia Kiamichi, she's the director of our administration.

Mr. YATES. I'm sorry I didn't put you into the record before. Were you not here when I——

Ms. TIJERINA. Well, she's not a witness; she's just helping me.

Mr. YATES. Oh, I see. She's kind of a body guard. [Laughter.]

Ms. TIJERINA. Actually, she teaches karate to our students, so she's a very effective body guard.

Mr. YATES. You're kidding? Really? I'll be darned. Well, I'm impressed. Well, that shows you, you cover all the arts, the martial arts as well as the performing arts and the visual arts. [Laughter.]

Ms. TIJERINA. That's right.

So, our independent audit was a success, and we have given a full copy in the annual report to the Congress.

Mr. YATES. Good.

Ms. TIJERINA. A problem with the number of students we have, which we're very excited about, is, frankly, that we now have more students than we have space for in terms of dormitories. As you know, we don't have a campus, and we're renting space from the College of Santa Fe. Many of our students simply don't have rooms in the dormitory system to live on campus.

Furthermore, our average age for students is 27. If they have children, there are no facilities whatsoever for the students.

Mr. YATES. What happened to the Federal building they were supposed to get?

Ms. TIJERINA. That's for the museum.

Mr. YATES. Only for the museum?

Ms. TIJERINA. Yes.

Mr. YATES. Okay.

Ms. TIJERINA. I'll be talking about that in just a minute, unless you'd rather hear it now.

Mr. YATES. Whichever you want.

Ms. TIJERINA. Okay. But, at any rate, the fact that they have to live off campus is a great economic hardship for them, because most of our students are below poverty level. As you know, living in Santa Fe, which is a high cost of living, causes a lot of——

Mr. YATES. What about the tuition? How much do you charge, or do you?

Ms. TIJERINA. For Indian students, we give them full tuition and room and board scholarships if they stay on campus. There's nothing for them off campus except for tuition scholarships.

Mr. YATES. How does one stay on campus? What facilities do you have on campus?

Ms. TIJERINA. We're renting from the College of Santa Fe.

Mr. YATES. A dormitory?

Ms. TIJERINA. A dormitory; that's right. We have 2 dormitories——

Mr. YATES. That's considered being on campus?

Ms. TIJERINA. Yes, sir.

Mr. YATES. Okay.

Ms. TIJERINA. To make up for this problem of renting space and not having the number of facilities we need, we're going to a new campus. We've been very fortunate to have a private donation of 115 acres of land.

Mr. YATES. Is this in Santa Fe or on the outskirts of Santa Fe?

Ms. TIJERINA. It's on the outskirts of Santa Fe right past Rodeo Road. It's a beautiful location. It's on a high ridge overlooking the city. We've had some staff people from your committee who have had a chance to—

Mr. YATES. How come the developers haven't captured it yet?

Ms. TIJERINA. Well, it's part of the Rancho Viejo Partnership, which is all undeveloped land. It's sort of a little cache in the middle. I think, in fact, that they're hoping to make some of the development around the Institute—we're sort of a focal piece of it. That's one of the reasons they were willing to donate the land.

Mr. YATES. I see.

Ms. TIJERINA. To try to proceed on that, we've hired a project manager who is going to be in charge of the new campus as well as the museum renovations, and he's been very active in the surveying of that land. It looks like, based on that surveying, we may even be able to get 15 more acres which will bring the total up to 130, which is a wonderful amount for a fine arts college.

The new museum is something we're very excited about. The Old Federal Building is in a wonderful location for our museum. It's just a block off the plaza. It's a very well-constructed building. We think it has a great sense about it that will make a tremendous museum for the Institute, and the board of trustees and the building committee have worked together and found, I think, a really great combination of architects: Mr. Antoine Predock, who is an internationally-renowned architect, and Mr. Lou Weller, who is a wonderful architect whose done great work throughout Indian country. He's a member of the Caddo tribe.

They are friends from way back in architectural school, and so they're working closely in association to renovate this building and make it the kind of world class museum that we think that the Institute's collection, permanent collection, of objects is worthy of.

We've worked hard and accomplished quite a bit to try to justify your faith, to prove that if you give us a chance, we can do it well, that the Institute is capable of doing well. Now we're asking for this appropriation of $6,124,450 to begin building more than the basics, which is what we have at this point—

Mr. YATES. How do you happen to ask for $6,124,000 when the President's budget only contains $4,347,000? Has OMB relented and permitted you to ask for an extra $2 million, or don't you go to OMB?

Ms. TIJERINA. No, Congressman, we report directly to Congress on our budget.

Mr. YATES. Oh, aren't you lucky?

[Laughter.]

Ms. TIJERINA. We are very lucky in that, indeed. Even in the President's budget this year, they did agree to a $100,000 increase in our endowment fund. We have been working a little bit more successfully with OMB than we have in the past years, although we're frustrated because this Committee's language in last year's appropriations did instruct them to include our budget request in their budget. We had understood that they were going to do that and then they didn't do it. So it isn't reflected in the book at all. We hope that that's something that we can change for next year.

We've highlighted in our testimony a few of the things that are detailed in the budget request, and that doesn't imply in any way that these things are more important. We just wanted to not have to repeat what was in the budget request and to highlight it for the time constraints that we knew that you and your staff are under.

In the arts department, for example, because of increased enrollment and an increase in programs, we have a need for additional faculty, which we've detailed in the budget request. We're also, currently in the 1990 budget, underbudgeted in terms of art supplies, what's really needed to conduct classes in an effective manner. So we've put in a substantial increase in our supplies, which will include equipment.

For example, instructional slides—for art teachers to really teach art well, they have to be able to refer to slides. We really have an appalling situation in the amount and type of instructional slides. It's just one example of the kinds of things that we're talking about.

Mr. YATES. I remember several years ago when the question of continuing IAIA was before us, some of the tribes—I forget which—sent representatives to tell us that they didn't need this kind of instruction; that the tribes were the ones who instructed their own people in the work of the traditional Indian arts crafts, and they would do the teaching, and there was no need for this Institute. Now, from what you say, I take it you don't agree with that?

Ms. TIJERINA. Absolutely not, Congressman.

Mr. YATES. How about Ms. Bird, does she agree with that?

Ms. BIRD. I don't agree with that. [Laughter.]

Maybe in the traditional arts, some of them can still instruct, but not all of them can.

Mr. YATES. I keep thinking of the ceramics artists. Do you teach that craft?

Ms. TIJERINA. Yes, we teach both regular ceramics in the western sense and we also teach traditional ceramics in the method that is the traditional tribal method.

Mr. YATES. Which of the tribes did Maria belong to?

Ms. BIRD. She belonged to San Ildefonso Pueblo.

Mr. YATES. That's right, the Pueblo. Her daughter is now potting, or her granddaughter?

Ms. BIRD. Granddaughter. Many in her family carry on the tradition.

Mr. YATES. These are the black——

Ms. BIRD. The highly polished black pots. But there are very few families like that.

Mr. YATES. How do you get that polish on them?

Ms. BIRD. It's done through a reduction process. The pots are polished with a stone and then they're fired outdoors. When the firing is nearly complete, the fire is smothered with either wood slabs or with cow manure. It's allowed to die down inside of it. Then when all the oxygen has been taken away from the fire, the pot reduces to a black color.

Ms. TIJERINA. There's a tremendous amount of hand work in the polishing. It just is very time consuming.

Mr. YATES. Oh, I would have thought so. They're so beautiful.

Ms. TIJERINA. They really are. We're lucky to have Preston Duwyenie, who teaches our traditional pottery classes. He's also a member of the Hopi Pueblo tribe and has done an excellent job.

Mr. YATES. Now what art do you teach? Do you teach the art of weaving, for example, like the Navajo rugs?

Ms. TIJERINA. We have fabric arts classes which include weaving and include design of fabrics. In addition to that, we have the ceramics classes which we talked about. We have sculpture classes. We have painting and drawing, all the arts foundations. We have printmaking and photography. We have creative writing. We teach museum sciences. We're important feeders to the new Smithsonian museum——

Mr. YATES. That raises an interesting question, which was raised, of course, by the same objectors that came in a couple of years ago. I take it you're not clinging, then, to the Indian tradition? You're expanding all this, and the question comes up: why couldn't they get that at the University of New Mexico, for example? Why would they come to IAIA in order to go to classes of this kind?

Ms. TIJERINA. Well, we're doing both, Congressman. We are doing some of the traditional crafts that Indian people have been wonderful artists from time in-memorial, but we're also saying that Indian people have special talents and have wonderful creativity; that if they're centered in who they are and if they also know something about western and Asian and other kinds of arts, that they can take that information and in a creative meld bring new expressions to Indian country.

The focus of Indian arts, is people working with other Indian artists, seeing them as role models, teaching Native American studies, which we teach very effectively at the Institute. Having that kind of perspective and support system makes it a very special place for the Indian students.

Mr. YATES. Okay.

Ms. TIJERINA. We are lucky also in that the Naropa Institute has given a grant to one of our students. They do wonderful creative writing work, and they've given a special grant to one of our students in the creative writing area and given them full tuition. So we're asking for money to match those monies to allow them to take advantage of this opportunity.

In student development we need to keep up the recruiting level. We're doing a national effort so we can expand beyond the 24 States that we're now representing, and to make sure that we keep up the goal that we set for the enrollment for the Institute. We think, with increased targeting, we can also help improve the quality of the students attending.

We also have new editions of the catalog. The Institute operated without a catalog, if you can imagine a college operating without a catalog, in the past. This is the first time the Institute has had a catalog in many years. We'll need funds to update it and do a new edition for next year.

Another thing we'll need money for is a work study program. Many of our students, as I said, are below poverty level and need to take jobs to just get art supplies that they need for school. So we'll need matching funds for that.

The Santa Fe College has closed their gymnasium which we had been renting on the College of Santa Fe campus. We no longer have a gymnasium available to us. So, we need some extra money to get some kinds of camping equipment and other kinds of things that can give the student body student activities and——

Mr. YATES. Why did they close the gym?

Ms. TIJERINA. Greer Garson gave them money, and they're converting it to a communications center. It's kind of a strange situation.

Mr. YATES. Are there no gyms in Santa Fe?

Ms. TIJERINA. They are none that are readily available. Most of our students don't have transportation.

Mr. YATES. No YMCA?

Ms. TIJERINA. It's a town of 55,000. It's really quite a small town. It's not like large cities.

Mr. YATES. I would have thought there would be a gym in almost any town of any size.

Ms. TIJERINA. Well, there probably are in the public school systems, but they tend to charge quite a bit in terms of rental and that sort of thing.

Mr. YATES. Do you mean Mr. Santini doesn't have influence there? [Laughter.]

Mr. SANTINI. Not a gymnasium, Mr. Chairman.

Mr. YATES. Okay.

Ms. TIJERINA. Also, our food costs are increasing in terms of more enrollment and just inflation in terms of food.

In the cultural research and exchange area, that's where we teach the Native American studies and all of the supporting kinds of academic courses that our students participate in, we have a great need there for a management position. A department head for Native American studies. We've tried to operate without one, and that hasn't been very successful. So we really need new faculty in that area.

Also, we have a learning resource center, so that students who may be brilliant artists but who haven't had the kind of academic preparation that they need for college level work can get the kind of academic support that they need, and those students who are doing very well at academics can get the kind of time management and study habits supports that they need. That's what the learning resource center does.

In addition——

Mr. YATES. Do you have brilliant artists there?

Ms. TIJERINA. Oh, yes, I think so. I think we've got some budding artists who, with training and practice, are going to be brilliant artists.

Mr. YATES. Okay.

Ms. TIJERINA. This is also the area under which the communications arts and all of the work that was done here, the graphics and the film and video, comes under.

In the museum—as you know, we have the building and we have money for the renovation of the physical space. But once we have the space, we'll need things to put in the space. We have a wonderful permanent collection, but we'll need shelves and cabinets to store the collection properly.

Mr. YATES. When are you moving to your new location on top of the hill?

Ms. TIJERINA. Well, we've got—the architects were hired in February. We gave them 16 months to complete everything. If they go according to schedule, we're hoping that by the summer of next year, we'll be ready to move in.

The moving, the reinstallation of the permanent collection——

Mr. SANTINI. That's the museum, not the college.

Ms. TIJERINA. Oh, I'm sorry, I misunderstood you.

Mr. YATES. Oh, I'm talking about your new home on top of the hill.

Ms. TIJERINA. On top of the hill? That's going to take quite a bit longer, Congressman. We've got to——

Mr. YATES. Where are you going to get the money?

Ms. TIJERINA. We've got to raise money.

Mr. YATES. How much are you going to have to raise?

Ms. TIJERINA. Well, we're in the planning process at this point. We need to get a strategic plan done and a feasibility assessment and architectural plans. We won't really know until we get the architectural plans how much we'll be asking for, but we are going to try, to the maximum extent possible, to raise money from private foundations and private donors and other sources.

We will try to raise private funds to the maximum extent we can. We can get some support for that—because it is going to be a very expensive process. That's one of the reasons we're asking for money for the development office. We have never had a history of fundraising at the Institute, if you can imagine a college not doing that. So we've had to really develop an infrastructure for doing that properly. We've got a Friends brochure that is a beginning effort in that, the brochure is an award-winning brochure. We received the Addie award for that.

This is the newsletter that we send to people who do give donations to the Institute, in an effort to begin to cultivate these people and make them feel a part of what we're doing at the Institute. We've just hired the development director. Barbara Gregg came on Monday. We've stolen her away from Colby-Sawyer College where she was the development director there.

We've got a lot of work to do in the development area, and we're just beginning the steps for it, but we think that we can be very successful at that.

Mr. YATES. Where is Marlon Brando in all of this? [Laughter.]

Ms. TIJERINA. Well, we should ask him. That's right, he's been very helpful in Indian issues in the past.

Mr. YATES. He's always talking about the wrongs done to the Indian people.

Ms. TIJERINA. That's right.

Mr. YATES. I wondered why he wasn't helpful in connection with raising money for the Institute of the Indian people.

Ms. TIJERINA. I don't know directly——

Mr. YATES. Has nobody talked to him?

Ms. TIJERINA. Not yet, but that's an excellent idea about someone to go to.

Mr. YATES. Okay.

Ms. TIJERINA. In our new museum space, in addition to the moving costs and the costs for storing the permanent collection, we'll need people who can handle the collection properly and professionally. So we are asking for——

Mr. YATES. Wouldn't it be nice to get a percentage of every Indian movie that showed on the screen?

Ms. TIJERINA. Oh, that would be wonderful. That's a great idea.

Mr. YATES. A wonderful idea.

Ms. TIJERINA. If we could just—particularly a percentage of the gross, I think.

Mr. YATES. That would really be great, yes, retroactively. [Laughter.]

Ms. TIJERINA. That would even be better.

In the museum, in addition to the conservator and the exhibit director, we'll need monies for the exhibits themselves, the design of them and the construction of the physical parts to do the exhibit.

Mr. YATES. Question.

Ms. TIJERINA. Certainly.

Mr. YATES. You're investing in all of this. You're going to build a new structure on top of the hill.

Ms. TIJERINA. Yes.

Mr. YATES. What will happen to all the things that you have? Are these improvements for the museum that we're talking about now, just the museum, and the museum will stay where it is even though your college itself moves to the outskirts of the city?

Ms. TIJERINA. Right. Probably in the second phase of the college construction, we will have the museum classes and some of the permanent collection storage up on the new campus, but the gallery space, the primary focus of the museum, will remain in the Old Federal Building, because it's just such a tremendous location. We're really on the outskirts of town where the new campus is, and this is right off the plaza. It's central to everything. It's something people could participate in and feel a part of. It's something where people could just wander up and walk through the door.

Mr. YATES. Okay.

Ms. TIJERINA. Also, we're requesting money for acquisitions for the permanent collection. We're requesting $20,000 for that. There's been a——

Mr. YATES. What does that mean?

Ms. TIJERINA. We have a——

Mr. YATES. Like the Heye Collection, for example?

Ms. TIJERINA. No, no, our permanent collection.

Mr. YATES. I know, but do you want to buy things from the Heye Collection?

Ms. TIJERINA. No, this is contemporary Indian art. So we would be buying specific pieces of contemporary Indian art——

Mr. YATES. Where are you going to get the money? It's too expensive. Have you priced contemporary Indian art?

Ms. TIJERINA. Yes. Well, in some cases artists are interested in donating to the permanent collection. So that's always our——

Mr. YATES. Well, then, you don't need money.

Ms. TIJERINA. That's always our first line of defense, but in those cases where they're not alumni or not connected to the Institute, and we feel that their piece has historical importance to the collection, that's what we're asking for.

Mr. YATES. Okay, all right.

Ms. TIJERINA. In facilities management, I've become, unbeknownst to me, an expert in things like boilers and facilities management, which I hadn't expected as part of this job. But, the new museum is going to be very costly in terms of maintenance requirements because of the types of boilers they have. You have to have someone who is licensed in that area to do the maintenance on them. So, we are asking for some money for security and maintenance for that building.

In addition to that, we are anticipating there will be an increase in our needs with the College of Santa Fe. We're in critical need of more studio space. The studio space that is available is World War II barracks that need extensive renovation and would cost too much for what the building itself is worth. So, we think it is much more cost-effective to go to portable buildings which could be moved to the new campus when we make the move and will give us much more value for the dollar. We are asking for two portable buildings for studio space for the campus.

In addition to that, our projects manager has been operating as a one-man show. He's a member of the San Ildefonso Pueblo, by the way; was former lieutenant governor; is an engineer with over 16 years' experience. As an engineer, he's got a lot of knowledge in terms of what the needs are. He's asking for one staff person to support him and a vehicle and some monies for additional architectural and engineering contracting to do.

Mr. YATES. What's his job?

Ms. TIJERINA. Project manager. He is our person who supervises both the renovations of the museum and the building of the new campus.

In addition, we're asking for some monies in the administration area. I was talking to you about the need for keeping these wonderful, quality people that we've gotten onboard. We're asking for a $40,000 increase in terms of the dental and the medical plan. We've gotten more people onboard, and there's going to be inflation, we anticipate, in those areas. That's what that increase is for.

In addition, since we're not under Civil Service, there is no retirement or pension plan whatever, and we feel like that's been a very great detriment to us in terms of recruiting people. We're asking for funds to establish a pension plan for our employees.

Mr. YATES. How big a faculty do you have?

Ms. TIJERINA. We have 73 people now, of which 56—oh, faculty, just faculty, not staff?

Mr. YATES. Yes.

Ms. TIJERINA. Hold on; let me look. I'm sorry, we have 18 full-time faculty, 6 part-time faculty, and 1 temporary.

Mr. YATES. Do you have any visiting faculty?

Ms. TIJERINA. We try to have what we call "master classes," where visiting faculty can come in and show their art or give a lecture in their area, and all of our students can get a variety or a diversity of opinions and backgrounds from which to draw. We have visiting artists programs that we think are very important to the education of the students.

We're asking for a one-time appropriation of $103,000. This is to cover severance pay for the Bureau of Indian Affairs employees. We thought that the Bureau of Indian Affairs should pay for their severance of their employees, but because of the timing and the way the law was written, the severance actually happened when we were in charge as opposed to when the BIA was in charge. Even though the money had accumulated over the years of the BIA, their lawyers are refusing to pay and say that we must pay it. So we're asking for $103,000 for that purpose.

Mr. YATES. All right.

Ms. TIJERINA. In addition to that, our computer systems are really Neanderthal. There were four personal computers when I came onboard in August. We've been able to use some of the operating money to get some critically-needed ones for the learning resource center, but there are no computers for the administration, nor for the kind of instruction——

Mr. YATES. What's your relationship to BIA?

Ms. TIJERINA. None.

Mr. YATES. Do you have any? No?

Ms. TIJERINA. No.

Mr. YATES. You get nothing from BIA?

Ms. TIJERINA. No, except that some of our students receive tribal scholarships through their tribes or sometimes through the BIA.

Mr. YATES. But you as an institution receive nothing?

Ms. TIJERINA. That's correct.

Finally, we have a very antiquated phone system which we'd like a small amount of money to upgrade.

The board of trustees has been a very active board. They've been very involved in the policymaking, even with the administration, on certain policy questions in terms of long-range planning, which we think will require more committee meetings. We're asking for money for that, as well as just sort of standard increases in terms of supplies and travel. My travel budget's already—I didn't realize I was going to have to go to the foundations to look for money all over the country. Travel monies have been quite a bit more expensive than we thought they would be.

I would like to just make a couple of points at the end of the budget request, and that is that we are a very small budget in terms of the scope of things, but because we are a direct line item, we did get a full Gramm-Rudman cut last year. That was $160,000. To us, that has a very big impact on our budget. It has caused some real hardships in terms of our supplies for the fine arts, for the development office, and for the project manager.

So we would hope that the Committee would take that into account, any future possibilities of Gramm-Rudman into account, when you make our final appropriation.

We also are very concerned about the timeliness of the transfer of appropriations. For the last two years we have not received the money when it was appropriated. It has been held up in the Treasury Department for up to two months this year.

Mr. YATES. Why?

Ms. TIJERINA. Because there was confusion about who the certifying agency is. As you know, we report directly to Congress. We are not a part of the Executive branch. We think it's very important to maintain that relationship. Treasury keeps insisting that we need someone to be our certifying agency. So I have suggested language in the testimony——

Mr. YATES. That's kind of an amazing situation.

Ms. TIJERINA. It is. We're a unique institution.

Mr. YATES. You're kind of a ward of Congress.

Ms. TIJERINA. A child of Congress. [Laughter.]

Mr. YATES. I was just going to say I don't know that Congress knows that. [Laughter.]

Go ahead.

Ms. TIJERINA. And so we suggested language that just simply authorizes us to be our certifying agency. If this Committee has other examples of who certifies for the Congressional Budget Office or other congressional institutions, we'd be open to that, but we do think it's important not to put us back under the Executive branch in any sense again, because one of the reasons we've been able to accomplish a lot is because Congress has emancipated us from those bureaucratic entanglements while keeping the accountability that we need to be doing effective work. We think that's important.

Mr. YATES. All right. Thank you for a very excellent statement. Thank you for a very excellent statement.

Mr. Santini, would you like to say something?

Mr. SANTINI. Only to just offer my judgment as one of the 13 members of the board of trustees that this has been one of the most remarkable quasi-governmental exercises I've ever been involved in. Who could have projected 18 months ago that we'd have a 115-acre campus, a Federal building in downtown Santa Fe, a president and a leader in place who has taken control of the organization. It's just incredible.

Certainly Chairman Johnson, Bill Johnson, who had to sacrifice part of an aorta in order to help lead us to this place we're at right now, Mr. Chairman——

Mr. YATES. I wondered where he was.

Ms. TIJERINA. He had a rip in his aorta and he had an operation. He's patched up now and he's recovering very nicely, but it is a big recovery process.

Mr. YATES. I didn't know that happened in Santa Fe. [Laughter.]

Mr. SANTINI. He was in California. [Laughter.]

That was his mistake; he left the good mountain air.

Mr. YATES. Ms. Bird, did you want to say something?

Ms. BIRD. Only that I support Kathryn and everything that has been happening at the Institute. I have a very long history with the Institute. My oldest brother was a student there when it first began. My youngest brother graduated from there when it was still a high school. My mother worked in the dormitory. I have family and friends who have been associated with it for a very long time.

To see the excitement that has been generated in the past year and a half, it's like the high point when the school was producing great artists. It's something that really is sorely needed——

Mr. YATES. The school was producing what?

Ms. BIRD. Great artists. It did go through a period where it didn't, that we all know.

Mr. YATES. What's the name of this great Indian artist now who's so expensive? He's in all the galleries.

Mr. SANTINI. Gorman?

Mr. YATES. No, there's another one.

Ms. BIRD. Fritz Sholder?

Mr. YATES. Fritz Sholder, yes.

Ms. TIJERINA. Fritz Sholder was an instructor at the Institute during the seventies.

Mr. YATES. I know.

Ms. BIRD. But there is so much happening now there. When we talk about the Institute, when we talk about the Indian art, we're not just teaching traditional art. We're teaching that there is a viable extension into the contemporary world, and that's what the Institute—that's it's most important role, to let people know that there is something that is valid about what happened in the past and what's going to be carried on into the future.

Mr. YATES. Where did you learn design?

Ms. BIRD. I'm self-taught.

Mr. YATES. Are you?

Ms. BIRD. Yes.

Mr. YATES. It didn't pass through the tribe?

Ms. BIRD. It did not pass through the tribe to me, no.

Mr. YATES. Which of the tribes are you a member?

Ms. BIRD. I'm Santo Domingo and I'm Laguna. My father was from Santo Domingo Pueblo, and my mother was from Laguna. There is no artistic tradition in either one of my families, so I can honestly say that it does not pass through the family; it does not pass through tradition.

Mr. YATES. I thought the Pueblos all had artistic traditions, or is it just San Ildefonso?

Ms. BIRD. No, all tribes have some sort of tradition that is related to the arts. They don't think of it that way themselves, though. They think of it in terms of their culture and in terms of their background, but there is art that is inherent in all of this, and it's making that transition and making that translation. Sometimes the tribes themselves, to let them know that there is something that can be reflected out of their cultural values—my family is a great example of this. Neither of my parents did anything in terms of the arts, but through what I've learned at home and my surroundings, I was able to do something.

Mr. YATES. How can you be self-taught in that kind of a trade? Don't you have to have teachers?

Ms. BIRD. You have to have teachers, but you can also learn a lot by looking at materials and by reading and by having things that are available to you. I have a different set of circumstances in my life that made things, I think, a little bit easier for me, easier in some ways and not so easy in other things.

I was raised off the reservation. My parents thought that—

Mr. YATES. Do you mean in Santa Fe?

Ms. BIRD. No, I was raised in California. My parents thought that it was better for us to receive an education than to be raised on the reservation. At that time it probably was, but we were taken away from the reservation when we were young. I went to public schools and to universities and really didn't have a background in the arts. When I came back to it, when my family did move back to New Mexico and to Santo Domingo and to Laguna, I, like many people, saw what was there and saw the great artistic tradition that was there, and came to realize that people who had lived in this for so long were so accustomed to it that they didn't really see that there was something beyond everyday household furnishings or everyday household things; that there really was a sense of continuity reflected in what people wear and how they react to things.

My sense and awareness in the art grew because for years in the early seventies I worked in the retail business selling Indian art, but at the time that I was doing this, it was a time when things were just beginning to explode in the Indian art world. People began to realize that there was true value in this, but it was not reflected so much in the work of young artists; it was the older people, the things that are——

Mr. YATES. Yes, the antiques.

Ms. BIRD. The antiques.

Mr. YATES. The squash blossoms.

Ms. BIRD. And the wonderful baskets and the wonderful pottery.

Mr. YATES. Yes.

Ms. BIRD. Pretty soon those go out of Indian hands. Those are no longer in the hands of Indian people.

Mr. YATES. This is true. That's right.

Ms. BIRD. But along with them leaving Indian hands, an awareness of what they are and an awareness of the tradition that produced those pieces, I think, also disappears. When you learn about an art tradition, you learn about your own culture. That's what's important about the Institute. By teaching people about their art and about how to produce it, the Institute is helping to continue a tradition.

Mr. YATES. Yes. Thank you for a very excellent presentation.

Let me ask a few questions before we move on. You've established a foundation to facilitate fundraising?

Ms. TIJERINA. Yes, sir.

Mr. YATES. Have the members of the foundation board been appointed?

Ms. TIJERINA. Not all of them. They have to be approved by the board of trustees as they're being proposed. Currently, we have, in addition to Chairman Johnson and myself, Allan Houser, who is a famous Indian sculpturer from the Fort Sill Apache tribe, and Rodion Cantacuzene, who is with the Merriweather Post Foundation, who have accepted positions on the foundation. We will be putting many more people on the foundation, but we're in our beginning steps. It is incorporated now and in place and has the tax exempt status from the IRS.

Mr. YATES. You talked about the delay in getting your money from Treasury. Has that been worked out now?

Ms. TIJERINA. If we can get language in the Appropriations Act directing who the certifying agency is, I think it would be worked out, but it's going to be a problem again next year if we don't have such language. We are considering a permanent amendment to that effect.

One thing I would note to you, since you asked about Fritz Sholder. Since he was associated with the Institute, he has offered to design a pin to give as a gift to people who donate to the Institute. So we feel that that's a nice re-connection with him.

Mr. YATES. Is he a better designer than Ms. Bird?

Ms. TIJERINA. Than who? [Laughter.]

No, but he's better known. [Laughter.]

Mr. YATES. Maybe you ought to tell him what to do.

Ms. BIRD. You can't tell Fritz what to do.

Mr. YATES. I think that's probably true. [Laughter.]

You talk about salary increases for your staff and for yourself. What do you have in mind?

Ms. TIJERINA. Well, what we're looking at is a cost-of-living increase of 3 percent for this year and 2 percent merit increase, and then we're looking at equity salary increases because we have disparities in salary structure because of the way people were brought onboard or because some people have been there for a long time. Some people are significantly underpaid for the job that they're doing, and so we're looking at increasing those salaries.

Mr. YATES. What's the nature of the increases? You're looking to increase those salaries. How much are you looking to increase them?

Ms. TIJERINA. It varies with specific individuals. I could try to get you a breakdown for that.

Mr. YATES. That would be helpful.

Ms. TIJERINA. Okay.

[The information follows:]

There are $15,000 in the 1990 budget for equity increase in salaries. Equity increases are slated for those salaries which are significantly less than comparable salaries at the Institute. They include:

	Amount
Department chair, 2-dimensional art	$5,265
Painting professor	4,335
Procurement office	2,000
Bookkeeper	400

Mr. YATES. You're looking for $20,000 for investment counseling service for the endowment fund. That was in your 1990 request. What are your plans for 1991 in this respect?

Ms. TIJERINA. We are not requesting money for that this year. Last year we decided not to—I was not there when that decision was made.

On the endowment, counsel for investment——

Mr. YATES. Do you have an endowment?

Ms. TIJERINA. Yes, sir, we have——

Mr. YATES. How much of an endowment do you have?

Ms. TIJERINA. Five hundred thousand has been appropriated in the endowment, and we are working at this point developing a strategy to do fundraising to match that amount of money. We

have a small amount of money in the foundation to match it at this point.

Mr. YATES. Who supervises your investments of the $500,000?

Ms. TIJERINA. It's actually done by the board of trustees. They make a decision on investment policy, and they've been very conservative in how they've invested it. It's all gone into government bonds.

Mr. SANTINI. Treasury bills.

Ms. TIJERINA. Treasury T-bills.

Mr. SANTINI. And we're contemplating CDs to get a higher rate of return.

Mr. YATES. All right, we will have some questions for you for the record. Is there anything else you wanted to tell us before we close up?

Ms. TIJERINA. Well, I just wanted to reiterate how important Trustee Bird's point is about how Indian people think of art—because not only has the Congress given us the mandate to be an excellent quality, fine arts college, but also to be one of cultural exchange and research about cultures, so that we can share information about Indian cultures to non-Indians not only in this country, but throughout the world.

I think, unlike some western traditions who have seen art as something to hang on the wall, as a kind of an elitist program, Indian people see art holistically. It's part of their everyday life and their way of thinking about things. That's something that I think has a great deal of value that we would like to share.

Mr. YATES. Unfortunately, the impression I have is not many Indian people think that way.

Ms. TIJERINA. Well, I think people from traditional cultures do, from tribal cultures.

Mr. YATES. Well, you've got a lot of them who do.

Ms. TIJERINA. Yes.

Mr. YATES. But, I wanted to know some time ago, when the question of the continuation of IAIA came up, and we polled all the Indian people. They weren't thinking of the importance of it at that time, but I hope you're right. When I see you and I see Ms. Bird and I see the others that come in here, I know that it lives. I have to worry, too, about the other part of it. In Gallup, New Mexico you see the documentaries about those poor Indian people who are really trapped in alcoholism, and I worry about that.

Ms. TIJERINA. I think in the past there has been an association of the Institute with the BIA that has been negative, and because the Institute wasn't——

Mr. YATES. This is true. This is true.

Ms. TIJERINA [continuing]. Doing the kinds of things it should have been——

Mr. YATES. The best things that have happened for Indian art is what's happening now with you, and we'll try to be helpful.

Ms. TIJERINA. I think throughout the country there has been a world renaissance in Indian cultures, and that reflects the emerging importance of Indian art.

Mr. YATES. I don't sense the same kind of the renaissance that you do. There was 10 or 15 years ago when everybody was buying

the squash blossoms and the Indian jewelry—are they still buying it?

Ms. BIRD. People are buying different things now because the art world has changed, but it takes——

Mr. YATES. They were buying the antiques.

Ms. BIRD. They were buying antiques before, but now all those things have been bought up or they're coming back on the resale market and they're so expensive that nobody can afford to do it.

But, I think what people have to be made aware of is that that's not the only thing. There are other things that can grow out of that tradition, things that are current, things that reflect who our Indian people are now. There is a great demand for Indian art, which is also why the Institute is located in Santa Fe. That's the center of what's happening right now.

Mr. YATES. Okay, thank you very much.

Ms. TIJERINA. Thank you. We really appreciate your support and help.

Mr. YATES. I know. We appreciate the work you're doing there, too. I'm glad to see Mr. Santini again looking so well.

Mr. SANTINI. Thank you, Mr. Chairman.

Mr. YATES. Are you no longer interested in politics?

Mr. SANTINI. No longer interested in politics.

Mr. YATES. Well, I'm glad. [Laughter.]

I'm glad you've made the transition to art. [Laughter.]

Ms. TIJERINA. We are, too.

Mr. YATES. Thank you very much.

Do you have catalogs, Ms. Bird? Do you ever have catalogs of your things?

Ms. BIRD. No.

Mr. YATES. You're a commissioned artist?

Ms. BIRD. No, we work on a very limited basis.

[Questions and answers for the record follow.]

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE
CULTURE AND ARTS DEVELOPMENT

"In FY 1990, the Institute's overall request was reduced by the Congress. However, there are several individual line items for which the 1990 amount shows a significant increase.

Why is the 1990 estimate for the Office of the Chairman of the Board $48,930, compared to $34,000 a year ago?"

Actual expenses for the Chairman's Office for 1989 totaled $35,836. Since that time the Chairman of the Board has resigned from IBM and is working full time for the Institute at no salary. The Chairman's budget was increased to cover expenses for the Chairman on a full time voluntary basis as opposed to the part time basis he had been expected to work. The Chairman will be traveling more for fundraising purposes and requires more clerical support and supplies in this full time capacity.

"Why has the 1990 funding for the President increased to $286,375, when it was estimated a year ago it would actually decrease by $20,000 to $137,500?"

Last year's estimate of a decrease in the President's budget reflected the elimination of a Dean's position. That position has been eliminated,

however the following areas have been added to the President's budget causing the net increase.

Area	Amount
Assistant to the President	$ 22,000
Public Affairs, Director and Operations	$ 27,600
Additional travel for fundraising	$ 4,700
Moving expenses (as agreed to in the President's employment contract)	$ 3,000
Planning funds	$ 67,600
Continency funds	$ 80,659

These areas are all new to the budget for 1990 so we will not see corresponding decreases in other areas.

"What is the reason for the increase in 1990 for administrative services, to $487,440, compared to the estimate of $378,000?"

As with the President's Office, Administrative Services has had areas added to it that were not reflected in the original estimate. Additions are:

- Allowance for costs of living adjustments and merit increases for all employees. $ 90,634
- Increased medical/dental costs over original projection. $ 50,000
- All Institute faculty and staff orientation expenses. $ 10,000

- National personnel search for key positions. $ 17,000
- Matching grants. $ 5,000
- Survey and Title costs for the land donated for the new campus. $ 4,000

"Why has the Office of the Dean increased from $63,000 last year to $141,500 this year for 1990?"

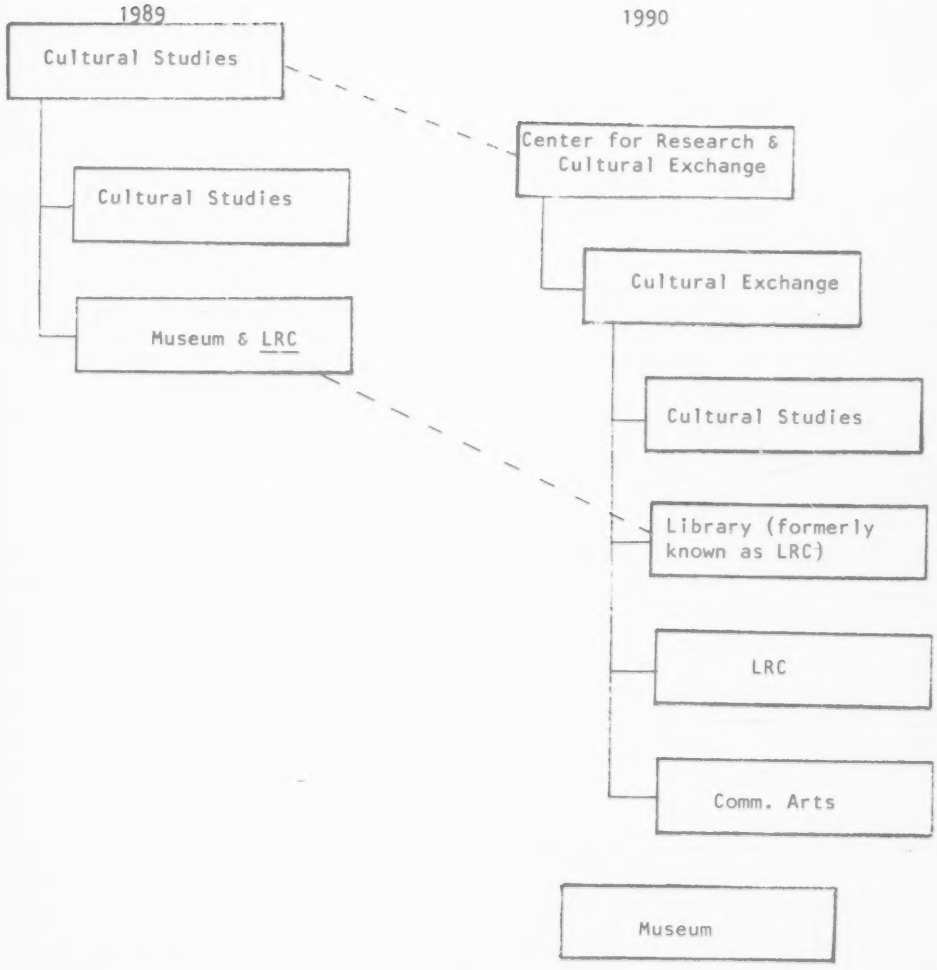
Actual expenses for the Office of the Dean in 1989 were $94,156. In addition to the $31,000 which was underbudgeted, there is a line item for $43,778 for furniture replacement.

"In FY 1989, the amount for the subactivity "Museum and Learning Resource Center" was shown last year as $285,000, and the 1990 request was $561,000. This year, there is a line item called "Center for Research and Cultural Exchange", for which the 1990 estimate is $475,925 and the 1991 request is $608,625; and a line item "Museum", for which the 1990 estimate is $232,020 and the 1991 request is $502,020. The total amount for 1990 for these line items is $707,945.

Please explain how the two new line items relate to the one used last year."

The Cultural Studies subactivity of 1989 has been reorganized for 1990. "Cultural Studies" is now the Center for Research and Cultural Exchange. The cultural exchange component of the new Center includes

cultural studies, the library (formerly referred to as the learning resource center) the new learning resource center (for college survival skills and remedial education), and the new communication arts department. The Museum now stands alone as an independent Center. Please see the diagram.



"Provide for the record a crosswalk showing how the funding requested and appropriated in 1990 relates to the funding shown in the 1990 column in the 1991 request."

The $285,000 of 1989 represented $100,000 for cultural studies and $185,000 for the museum and library (LRC) together. The request for 1990 of $561,000 includes cultural studies, the library, the new learning resource center and the new communication arts department. The $561,000 requested was cut to an estimate of $475,925 as a result of Congressional cuts to the 1990 budget request. The 1991 request of $608,725 covers the above areas.

The Museum was pulled out of the old "Cultural Studies" to stand alone at an estimated 1990 budget $232,020 and at 1991 request of $502,020.

1989 (Actuals)		1990 (Estimates)		1991 (Request)	
Cultural Stds.	$100,000	Cultural Stds./Lib.,		Cultural Stds./Lib.,	
Museum/Lib.	$185,000	LRC, Com. Arts.	$475,925	LRC, Com. Arts	$ 8,625
		Museum	$232,020	Museum	$ 502,020
TOTAL	$285,000		$707,945		$1,110.645

"Similarly, under "Facilities", there was a line item last year for "Operation and Maintenance" in the amount of $446,000 for 1990. In the 1991 budget request, the 1990 column shows $64,325 against "Museum operation and maintenance."

Explain the changes in the line items under this subactivity in the 1991 budget request, and provide a crosswalk as requested above for the record."

5

Under facilities we show 1990 estimate of $388,000. The status of the Old Federal Building changed significantly between 1989 and 1990. In 1989 IAIA had been donated space in the building and was being expected to operate and maintain it. By 1990, IAIA had been given the building and appropriated funds to renovate the building to accommodate IAIA's museum. The 1990 enacted figure of $64,325 reflects the difference in maintaining a portion of the building for a few months until remodeling begins and maintaining the entire building for the entire year.

P. 4. The request for the Board of Trustees is $186,500, an increase of $23,400. Of this amount, $18,400 is to fund additional meetings of the Development, Academic Affairs, and Administrative Planning and Personnel Committees.

How many meetings are planned for these Committees this year (FY 1990)? How many additional meetings will be held in FY 1991?"

The full Board of Trustees meets quarterly (4 times per year). This request allows for one additional meeting for each committee. One meeting is scheduled for each committee in 1990, the additional funding would allow for two meetings per committee in 1991. These meetings will be imperative for the planning of the new campus and the resulting changes to the program.

"Provide a breakdown of how the increase in costs was derived."

The increase in costs were determined from the following estimated costs:

Stipend	$125/day (set forth in authorizing legislation)
Per Diem	$95/day (Santa Fe)
Travel	$1,500/meeting (on average)
Misc.	$100/person/meeting

"P.5. The request for the Office of the President is $465,250, an increase of $76,500.

What is the base for the Office of the President for travel? What is the basis for the proposed increase of $4,250?"

The 1990 base for President's travel is $11,000. Actual travel expenses for the first 5 months of FY 1990 are $7,900. $7,900 extrapolated over 12 months would equal $19,000 for the year. The demand for increased travel by the President was caused by private sector fundraising with corporation and foundations across the nation.

"What is in the base of the Development Office for publication and distribution of brochures?"

There is no base for publication and distribution of brochures in the 1990 Development Office budget for 1990. The $11,500 would produce and print 10,000 4-color solicitation brochures, 20,000 pledge cards and reply envelopes, 10,000 appeals letters and postage and mailing costs for the above materials.

"What will be the total staff in the Development Office if the additional FTE is allowed? What position will this be?"

The total staff for the Development Office will be 4 FTE including a director, a grants writer, a researcher and a secretary. The requested position will be responsible for prospect research to support major prospect identification and solicitation.

"P.6. The request for general administration is $1,004,790, and increase of $352,350.

How were the amounts of $40,000 for medical, dental and life insurance fringe benefit costs, and $95,000 for pension costs determined? How much is in the 1990 base for these purposes?"

Medical insurance costs are rising at astronomical rates. The 1990 base for medical/dental life is $118,640. We are expecting additional staff and projecting an incease in permiums of 20%. The pension figure was determined at 5% of current (1990) salaries. We have no pension for 1990 so the base is zero.

"When will accounting services be brought in-house? How much is currently being paid to contract for these services? When does the contract end?"

Computers should be on board in July and accounting functions in-house by December 1990. The current agreement for accounting services is on a month to month basis rather than a contract and is estimated to cost $60,000 for the budget year.

"Will there be offsetting savings in 1990 or 1991 as a result of ending the contract? If so, how much, and how are they reflected in the budget?"

In the last half of FY 1991 outside accounting services will only be used on a consulting basis and to provide the annual audit. The savings are estimated at $10,000. The $10,000 savings will be applied to the acquisition of a new telephone system in addition to the $10,000 requested in the budget. We need to acquire new equipment and run additional lines to accommodate new staff and faculty members.

"What is the basis for the $74,350 in the request for computers and computer software for accounting services."

The $74,350 for computers is to provide enhancements, additional software and additional hardware campus-wide. The computers we are bringing on board in 1990 will provide for our very basic immediate word processing, accounting, publishing, graphic and instructional needs. This request would provide extra software and training for accounting, additional hardware for video recording the museum collection, additional terminals for new employees (new positions) and additional hardware and software for the faculty to use in teaching.

"How many computers have been purchased to date since the Board took over the Institute? Are any of these available for accounting?"

No computers have been purchased since the Board took over. We have now completed a thorough systems review and needs assessment and

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are ready to purchase the proper equipment. At this time none of the computers are available for accounting.

"What position(s) will be added with the $30,000 requested for extra staff?"

The $30,000 requested will fund an information systems manager for the computer system and a receptionist for the administrative area.

"Why are you spending $10,000 more for legal services in 1990 (and continuing in 1991) than estimated a year ago?"

Some of our legal services have been provided pro bono, we cannot depend on this in the future. Further, as we begin a new museum, planning for a new campus and a new foundation board comes into being there are additional legal concerns which must be addressed in order to protect the interest of the Institute.

"P.7. The request for Art studies is $860,730, an increase of $294,400.

Has the tuition rate for non-eligible students changed since last year?"

The rate has not changed. A rate change was proposed to the Board of Trustees but not accepted. Currently the administration is in the process of compiling data on the costs of matriculation to propose a tuition rate increase.

What positions are you planning to add with the $173,000 increase requested? Provide a breakdown for the record.

The Institute needs the following additional positions in the arts faculty: professors in art foundations (the basic courses in which all art students are trained) (1 FTE), art theory (which includes criticism and aesthetics) (1 FTE), business arts (1.5 FTE), and painting (1.5 FTE). These positions will begin to meet the needs of expanded student enrollment and development of the new business arts degree program. An arts technician is also requested to provide repair and installation of equipment and maintenance to our deteriorating studio facilities.

Will this fill all planned positions under this activity?

In the summer and fall, the Institute is undertaking in depth strategic planning. We anticipate that this long term planning will lay out what future positions will be needed and when. The requested positions will not fill all of these needs, but rather represent current critical needs.

How exactly will the $20,000 requested for guest speakers be used?

Guest Visual Artists Program

Travel & Per Diem	$ 6,000
Honorarium	12,000
Materials & Supplies	2,000
TOTAL	$20,000

A year round guest (visual arts) series for talks and dialogue on their work and the creative process. Artists would be multi-cultural, and nationally known.

The travel and honorarium will vary depending on distance and length of stay of the guest artists. We propose that the money will cover a program consisting of as many as eight or more different media being offered. This budget may only allow one guest artist in each area.

What is in the base for supplies and equipment, for which an increase of $75,000 is requested?

Currently the Arts Studies area budget is minimal. Prior budgets have severly limited the repair and replacement of tools and equipment in all areas of study. We have been struggling for years to keep the studios running, some of this equipment is more than twenty years old and has become unreliable or unserviceable. Years of deferred maintenance has taken its toll on the equipment. The budget requests are primarily for replacement tools and not for additional equipment. One exception to this is the addition of the Photography area that is no longer being sub-contracted from another school. Growth at that school and at the Institute of American Indian Arts has precluded that option. The photography area is also sharing space and equipment with the printmaking classes so both instructional areas will benefit from the new equipment.

In every studio area, some supplies are not available in quantities suitable for the individual students. For example, clay and glaze materials for ceramics are generally purchaed in 100 lb. lots or larger.

Many of the students are unable to afford a large lab fee charge for the materials that are common to the classes.

Video and Film Bank $10,000

As critical supplementary teaching tool and resource, broadening the world view of our art students.

Instructional Slides $ 8,000

A critical teaching tool and resource to enlarge students' understanding of the global arts throughout history. This will include purchase of new slides, duplication of slides.

Slide Cabinets $ 2,000

To professionally hold and protect instructional slides for faculty and student use.

Art Book Purchase Budget $ 8,000

A critical teaching tool, development tool for faculty, as well as addition to IAIA's library.

Four (4) Floor Looms (Fiber Arts) $ 7,000

To replace worn-out equipment more than twenty years old and beyond repair.

Two (2) AMACO Slab Rollers (Ceramics and Traditional Pottery) $ 3,250

Slab rollers are needed for each of the clay studios, so students can begin to experiment with large sculptural slab forms as works

of art. Presently both studios are in need of proper equipment for instructional beyond functional clay works.

Shirnpo Pug Mill (Ceramics) $ 5,000

A pug mill is needed to reclaim clay. Presently clay is being wasted or reclaimed in antiquated ways. This takes up a large portion of the small studio space.

Puasche Bench Spray Booths $ 800

Spray booth is needed for air brushing (safety reasons).

Lithopress	$ 9,000
Silkscreen - Wash out sink	$ 1,800
Silkscreen - Vacuum table	$ 4,000
	$15,800

To insure safe and proper application of the current state-of-the-art processes, a Wash Out Sink is needed to improve silk screen photo emulsion process. Lighted background insures correct washout for detailed state-of-the-art silk screen process used in all silk screen factories and businesses. Vacuum table is needed for photo etching and silk screen process. This equipment is needed to insure precision and quality in execution of process, and to bring a level of instruction to the standards of other arts educational facilities. Lithography press needed to advance and expand the printmaking department.

Adjustable Track Lighting $15,000

Will enable professional, and critical lighting of study subject

matter being discussed, observed, drawn and painted in perceptual and conceptual art studies.

Upright, Sliding Drawing Cabinets $ 2,000

To store over-sized students' art work. At present, size is dictated by current size of cabinets.

Have you established a total list of needs, particularly with regard to equipment, and have such needs been prioritized? If so, provide a breakdown for the record.

The strategic plan will identify old equipment needs and the prioritization. The 1991 request includes the significant equipment needed currently by the Arts faculty. It does not include the total lists for the Institute. The needs for the Arts faculty has an Institute wide priority because they are immediate classroom needs.

Describe the artist-in-residence and NAROPA poetry award, for which an increase of $8,900 is requested, and how these funds will be used.

$8,900 is the total increase requested for the creative writing department. These funds will be used as follows:

Student Anthology $ 3,000

Typesetting, paste-up, printing, binding, 1000 copies with four color cover.

Naropa Poetry Prize $ 900

Naropa will offer annual a $1,200 tuition waiver for one IAIA Creative Writing major to attend the intensive summer writing workshops. $900 is needed to cover airfare, room, board, and other expenses.

Extended Artist-in-Residence Program $ 5,000

Instead of one day readings and lectures, IAIA would like to develop a program where a nationally recognized writer is in residence for a month and thereby works closely with students on craft. The IAIA money would be used as a cash match in a grant application to try to bring a second writer to the Institute under National Endowment for the Arts auspices.

"P.8. The request for student services is $1,039,210, an increase of $142,000.

Under the Office of the Dean, is the increase of $21,000 for additional staff, or for increased salaries and benefits for existing staff?"

The $21,000 is for increased salaries and benefits for existing staff. No new positions are being added.

"How exactly will the increase of $11,000 for recruitment purposes be used? How much is in the base for recruitment, and how much was spent in 1989?"

$4,050 will be used for production of a a new video recruitment tape; $1,000 purchase for a VCR monitor; $5,000 for advertisement space in

national Indian media; $450 professional membership dues for broader national recognition; $525 for participation in NAASAD's portfolio days in Chicago, Minneapolis and New York. Currently the base for recruitment is $4,000, as it also was in 1989. Actual expenses for 1989 were $5,300.

"In 1990, an increase of $74,000 was requested to replace dormitory furniture, and $45,000 was allowed.

Why is a further increase of $22,000 needed for new desks and mattresses in 1991?

Furniture has been partially replaced periodically for the two dormitories over the last several years as the cost of replacing all of the furniture at one time is prohibited. Currently we have desks for only half of the students residing in Kennedy Hall. Part of this increase is the costs of purchasing desks for the rest of the students. Mattresses have to be constantly replaced due to damage or cumulative use over the years. The rest of the increase is due to the number of mattresses which must be replaced to meet health and safety standards for the residents.

How will the base of 1990 increase of $45,000 be used in 1991?"

The base 1990 increase of $45,000 will also be used to begin refurbishing the other residence hall, Alexis, which has received no new furniture in eight years. Alexis Hall will need bed frames, desks, lounge chairs, and drapes to improve the quality of living for its residents.

In addition, some monies will be used for gym equipment for the activities program due to the fact that the College of Santa Fe tore down the gym we were using and it will not be replaced.

"There is an increase of $66,000 for food services.

How much of this increase is for inflationary costs, and how was this amount determined?

$10,400 is figured for inflation based upon 6% given to us by the food service vendor. The balance is for additional students eligible for board scholarships. Also there is a surcharge attached to this cost with our lease agreement with the College of Santa Fe. The surcharge is applied by CSF on top of the charges by the vendor. The charge covers use the of utensils, plates, dining hall furniture, and custodial services.

What was the actual amount required for inflationary increases in 1990 over 1989?

The inflationary increase in 1990 over 1989 for food services has been calculated at a 4% increase.

What assumptions were used in determining the amount included for purchasing meals for additional students who received board scholarships?"

Amounts are determined by our current increase in potential students applications to the Institute. Also it is projected that we will provide additional food services in the form of board scholarships to off-campus students. We are projecting a substantial increase of off-campus students based on our current increases in applications for admissions.

"P.10. The request for the Center for Research and Cultural Exchange is $608,625, an increase of $132,700.

An increase of $66,000 is included for hiring an ethno-historian and an ethno-scientist.

Will this complete the staffing of this department? Provide a breakdown of the positions and costs for the record.

No, this will not complete the staffing of the overall Center. However, the requested positions include those which have been administratively determined as essential to the implementation of a Cultural Studies program and to form a foundation for a degree in Native American Studies. In addition, this funding provides the necessary basic staffing for the related research and cultural development programs to be carried out as mandated by the legislation. Final staffing needs will be defined in the upcoming strategic plan.

How were the support cost amounts for these two positions (curriculum development of $6,000, supplies and equipment of $16,200, and travel and training of $1,000) determined?

The support costs are for the Center staff in general and are not connected to these two positions. Only the $1,000 for travel and training are costs specifically associated with the two requested positions. This amount is added to the base amount for travel and training for all CRCE employees. These funds allow for the individuals hired to complete necessary official travel, and training and professional development activities.

The other cost of $6,000 for curriculum development is not a cost associated with just these positions. Rather, this is a projected cost for curriculum development to be undertaken by all Cultural Studies faculty, current as well as those positions requested. Curriculum Development cost include money for professional curriculum materials, student research projects, and field trips.

The anticipated extra cost for supplies and equipment of $16,200 is for badly needed furniture and equipment associated with the needs projected for not only the new faculty but for the entire CRCE staff.

CRCE (Administrative)

1.	Office supplies, xerox paper, computer paper, etc. (projected)	$ 3,036.65

EQUIPMENT

1.	2017 Xerox Machine w/sorter	$ 3,800.00
	a. Toner for 2017 xerox (6 bx x $77.75)	$ 467.00
	b. Developer (12 ea. x $39.95)	$ 479.40
	c. 1 year maintenance contract	$ 350.00
2.	35mm Canon Camera w/Lens	$ 700.00
	a. Film (20 ro. x $11.00)	$ 220.00

3.	709 Telecopier Machine (FAX)	$ 60.00
	a. Thermo-paper (2 ro. x $49.00)	$ 98.00
4.	Sanyo Model RD-S29 Cassette Deck	$ 150.00
5.	Camera/Recorder	$ 1,500.00

FURNITURE

1.	Desks (5 x $400.00)	$ 2,000.00
2.	Book cases (5 ea. x $200.00)	$ 1,000.00
3.	Storage Cabinets (4 ea. X $300.00)	$ 1,200.00
4.	Computer Work Station Desk	$ 300.00
5.	Executive Swivel Chairs (6 ea. x $150.00)	$ 900.00

The Center is literally being developed from "scratch". Furniture, equipment and supplies are badly needed to accommodate the expanding staff of the Center.

"Is there any funding in the base for the Learning Resource Center?"

$40,000 in the FY '90 budget is in the base.

"What specifically are the costs related to the new courses, for which $20,000 is requested?"

The additional $20,000 requested represent anticipated cost for tutors, instructional materials and skills oriented curriculum materials development.

Describe what is included in the amounts included for video equipment and Graphic Arts equipment.

An itemized list of Communication Arts/Graphic Arts equipment budget is shown below:

EQUIPMENT	
° 10" Monitor (2 x $600)	$ 1,200.00
° Video stand (2 x $180)	$ 360.00
° 1/2" VHS Cassette Player (2 x $450)	$ 900.00
° 3/4" Sony Player/Recorder	$ 2,000.00
° Panasonic VHS Camcorder (5 x $1,000)	$ 5,000.00
° Airbrush (2 x $200)	$ 400.00
° Compressor (2 x $480)	$ 960.00
° Drafting Table (5 x $400)	$ 2,000.00
° Fluorescent Lamp (15 x $100)	$ 1,500.00
° Color Tint Selector	$ 80.00
° Masking Film-Ruby (10x24-12) (10 x $10.50)	$ 105.00
° Illustration Board (20x30") (500 x $1.45)	$ 725.00
° Acetate (frosted: 25 per pad/19x24) (10 x $24)	$ 240.00
° Color Overlays (50 x $10.45)	$ 522.50
° Mounting Adhesive Roll - 24 x 50	$ 69.62

Explain what is meant by training and development needs identified for the Curriculum Committee, for which $3,200 is requested?

The Curriculum Committee is the primary Institutional entity charged with the research, planning and implementation of a school wide Curriculum. Members of the Curriculum Committee require training in basic principles of curriculum development and administrative implementation models.

Monies being requested will conduct two mini-workshops in Curriculum development tailored to the special needs of IAIA programs during this phase of program building.

"P.11. The request for the Museum is $502,020, an increase of $270,000.

How exactly are you using the 1990 funding shown for this purpose of $232,020?"

Salaries	$ 196,622.00
FICA Tax Expense	15,729.00
Benefits	14,580.00
Pension	1,502.00
Supplies/Material/Equipment	17,000.00
Travel/Training	2,000.00
Maintenance	1,000.00
Janitorial Services	3,000.00
Security	500.00
Camera & Film Costs	600.00
Matching Grants	4,000.00
Reception & Shows	1,600.00
Vehicles	1,125.00
Postage	1,275.00
Telephone	4,500.00
Permanent Acquisition	1,640.00
	$ 266,673.00

Less Net Revenue (Commission on sales)	(34,653.00)
	$ 232,020.00

Provide a breakdown of the existing staff included within this amount.

Museum Director

Museum Registrar

Senior Secretary

Museum Technician II

Museum Technician I

Museum Secretary

When do you plan to move the Museum to the new space in the Old Federal Building? Are any of the funds included here for the new space, or only for the existing space?

The renovation of the Old Federal Building should be completed in June, 1991. The funds requested for exhibition set-ups will be used at the old museum until it is moved and then at the new museum for the balance of the year. The $79,600 for exhibition construction will be at the new museum (Old Federal Building).

How much are you spending for art acquisition in 1990? What is the value of art which has been donated?

$1,640 has been budgeted for acquisition for 1990 due to the reduction of requested funds. Donations of Art to the Museum during calendar year 1989 are estimated at a value $68,614.91. 1990 donations total $1,200. as of April 15.

What kind of equipment is included in the request of $10,600, for recording the collection?

Equipment needed at the museum for recording the collection includes a 35mm camera, a poloroid camera and a computer audio recorder to preserve the audio tapes belonging to the collection. This computer equipment is in addition to the computer equipment requested in the administrative budget.

There is a request of $60,800 for matching funds for various museum grants.

What are the sources of these monies? How was this amount determined?

To date we have received a grant for cataloging our major collection which requires a match of $20,000 and a grant for student internships which requires an $8,000 match. Based on these two grants and the fact that after June 1990, the new museum director will be active in recruiting grant monies from The Rockefeller Foundation, The Suart Mott Foundation, The MacArthur Foundation, The Ford Foundation and others we have extrapolated the figure of $60,800 as our need for 1991.

There is also $19,200 to set up exhibitions at the Museum.

How exactly will these funds be used? Are these one-time only costs?

The $19,200 will be used in setting up exhibitions at the museum for new sculpture stands, special lighting, installation and maintenance of major and minor exhibitions, and special printing of announcements for the public. 60% (including stands and lightings) of these expenses will be one-time costs, 40% will be repetitive expenses such as printing and mailings.

There is an increase of $79,600 for an exhibition construction contract.

Explain exactly what is involved in this contract.

Exhibition construction is a very specialized interpretative, presentation and translation of the Art Collection to capture the visitors attention, motivate emotional involvement and provoke thought retention.

The process is separate from building design and construction. It requires interpretive planning, design, fabrication and installation of exhibit displays in areas to meet the needs of the specific art work. The construction typically involves fabrication and installation of mounting devices, show cases, special equipment utilization, audio visual aids, lighting and other interactive devices.

What is the basis of the specific amount requested?

The cost for construction of exhibit areas vary depending on varying levels of sophistication and complexity. The preliminary planning figures

indicates approximately 3,000 square feet of exhibit space. Recent cost estimates place the square foot cost for the IAIA museum exhibit in the range of $20.00 per square foot to $35.00 per square foot (per quotations by Antoine Predock and other local architects). This places the IAIA exhibit cost at approximately $26.523 per square foot.

P.12. The request for facilities is $1,107.325, and increase of $383,000.

What is the basis for the increase of $40,000 requested for the lease with the College of Santa Fe?

The lease with the College of Santa Fe increased $10,400 between 1989 and 1990. We are expecting them to bargain harder for the upcoming year because they are in need of more space for their own school. In addition, we will need an additional $4,200 for the land on which to put the two portable buildings.

What is the justification for the purchase of the two trailers for additional classroom space? How was the amount determined?

We are in desparate need for additional classroom/studio space to house our growing number of programs and students. No additional building space is available for lease from CSF without costly renovations. The amount of this request is based on price quotes received from vendors on specified buildings and includes the costs of installing the building as well.

Capital cost of a classroom module at 1680 square foot:

1. Capital Cost/Renovation $ 46,370.00

2. Set Up Cost		$ 3,198.00
3. Site Development Cost		$ 3,000.00
	TOTAL	$ 52,268.00 x 2 = $104,536.

How are you covering security costs for the new Museum space in 1990? What specifically is included in the amount of $60,000 requested for this purpose for 1991?

The new Museum will not be open during 1990. $60,000 provides for the hiring of three (3) security guards for the museum in 1991 at an annual salary of $20,000 each.

How was the amount of $50,000 determined for operations and maintenance of the new space? What is included?

GSA's janitorial and preventive maintenance costs and minor repair for the building during 1989 were $91,000. We plan to have the building in use for only half of 1991 (after the renovation is complete) so we estimated these costs at $50,000.

What is included in "non-routine" maintenance for the College of Santa Fe facilities, for which $20,000 additional is requested? What specific impact will the increased enrollment have on this need?

We often incur expenses for minor remodeling and safety related modifications necessary due to the nature of the classes we teach in the

College Santa Fe facilities (i.e., ventilation of the photography studio, sinks in the drawing studios, special flooring for performing arts). These items are not covered by College Santa Fe under the routine maintenance section of the lease. Increased enrollment causes increased demand and use of these facilities.

There is an increase of $108,500 for project management, to oversee the design and building of the new campus.

What is your estimate of the total cost of the A&E design? Do you anticipate this will be all Federal, or will you seek contributed funds for this purposes?

The A&E design costs for the campus are many and vary in the type of services which will be required throughout the planning and construction process. The planning process includes areas such as the institutional plan, facilities assessment, subdivision planning and approval, master planning and the actual individual design and construction of the campus usually in phases. Each area requires special A&E services and consultants (i.e., surveyors, hydrologists, soil experts, highway designers, archaeologists, architects, etc.). It is difficult to project the total A&E cost for the entire campus project until further planning is done. When the planning stage is finished we will furnish the Committee with an estimate.

The Institute through its Development Office is committed to raise funds to assist in the cost for consultant services in areas such as Institutional Planning, Development Planning and monies for the design and construction

of the infrastructure and the facilities. The Institute will raise some of these dollars but others will be included in future budget requests.

What exactly will you accomplish with the $50,000 requested for A&E work?

The $50,000 request under the A&E work will include the following:

- Subdivision Planning and Development $ 20,000
- Infrastructure Planning and Development $ 30,000

Subdivision Planning and Development - The Institute is required by local government to submit its proposed Plan and Development for the New Campus Site. The work includes a survey and plat of the site locating all easements, utilities and dedication of the Main Campus Site and the Cultural Research Center. The process requires studies that include Institute, General Master Plan and initial layout, goals, drainage studies, environment conditions, schematics of utility design and capacity, roads and other public facilities. These questions must be addressed and approved before the local government will allow any development.

Infrastructure Planning and Development - After completion and approval of the subdivision planning the Institute is required to develop the site by designing and constructing the infrastructure to the campus site. This includes paved roads, major water lines, sewer services, gas services, power and communication. The site is located south of the City of Santa

Fe approximately seven miles but in an undeveloped section of Santa Fe County.

Why is a vehicle necessary for this effort?

The $15,000 requested for the vehicle is to assist the Project Manager to travel locally to the site, and to adjacent cities to conduct business for the Institute. The present site is in a remote area without roads. The Project Manager is presently using his own personal vehicle to do the Institute's business. It is the intent of the Project Manager to lease a four-wheel drive vehicle via the GSA for a period of four years.

"P.14. There is a request for $350,000 for the endowment fund, an increase of $100,000.

What were the amount of matching funds contributed to the Endowment Fund in 1989?

What is your estimate for 1990 and 1991?

Why will this increase be needed in FY 1991?

The matching funds contributed to the endowment fund in 1989 were $14,938. It is important to note that the fundraising infrastructure for the Institute has just been in place for the last few months. The Director of Development came on board March 26, 1990. Therefore, the amount matched in 1990 and to a greater extent in 1991 is anticipated to increase substantially. Preliminary estimates are $150,000 in 1990 and $350,000 in 1991. Fundraising for the endowment will be a priority of the Institute.

We are, therefore, requesting an increase in the endowment to maintain the momentum which will be mirrored by the fundraising momentum. We believe the endowment is critical to increase the long term fiscal stability of the Institute.

We have two substantive changes to make to the written testimony that was submitted. Both changes occur in the area of new positions. In the art studies area we requested a photography position. Current student demands necessitate hiring the photography professor for fall semester 1990. We would like to replace the request for a photography professor with an arts theory professor. Arts Theory is a course that is required in our degree program that we have not had a professor in since 1989. This requirement has had to be waived for this year.

In the area of cultural studies, we would like to change the request for a department head of Native American Studies to an ethno-history professor. The department head position is so critical to our operation that we have moved money within our budget to cover that position in 1990. The ethno-history professor position is being requested because it is next on our priority needs. A historical perspective in Native American Studies is important to the overall quality of the program.

WEDNESDAY, MAY 9, 1990.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

WITNESSES

CHARLES BLITZER, DIRECTOR
SAMUEL F. WELLS, DEPUTY DIRECTOR
JON E. YELLIN, ASSOCIATE DIRECTOR

INTRODUCTION

Mr. YATES. This is the hearing on the Woodrow Wilson International Center for Scholars. Our good friend Charlie Blitzer is here to speak on behalf of the budget request. He is accompanied by the deputy director, Mr. Wells, and by the associate director, Mr. Yellin.

Mr. Blitzer's statement may go into the record at this point.

[The prepared statement of Mr. Blitzer follows:]

STATEMENT OF CHARLES BLITZER, DIRECTOR OF THE WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS, BEFORE THE HOUSE OF REPRESENTATIVES SUBCOMMITTEE ON APPROPRIATIONS FOR THE DEPARTMENT OF INTERIOR AND RELATED AGENCIES, MAY 9, 1990.

Mr. Chairman, and Members of the Subcommittee:

It is a privilege to appear once again before this Subcommittee, to present the FY 1991 budget request of the Woodrow Wilson International Center for Scholars.

I particularly would like to thank you, Mr. Chairman, Congressman Regula and the members of the Subcommittee for your thoughtful and valued support over the years of this institution which plays such a vital role in the intellectual life of our Nation. We are now in our 21st year, and with modest but nevertheless vital federal resources, supplemented by approximately an equal share of non-appropriated funds, the Woodrow Wilson Center has forged a unique national and international reputation for non-partisan scholarship, for addressing topics of enduring concern, and for reaching a broad spectrum of audiences--in academia, in the government, and in the general public.

Twentieth Anniversary

On March 7, 1989, the Woodrow Wilson Center celebrated its twentieth anniversary with a dinner at the State Department attended by distinguished public officials, some two hundred trustees, former trustees, Fellows, staff members, and supporters of the Center. We were particularly honored that President Bush, who has participated in many events at the Center, and Senator Moynihan, one of the Center's founders, spoke so warmly and supportively that evening. In his opening address, the President noted:

"The law establishing this national memorial to Woodrow Wilson called for a 'living memorial' to express his ideals and concerns. And this one certainly does. In this alliance of scholars, now world-renowned for exploring some of the most vital issues that confront mankind, Woodrow Wilson's ideals find their highest and most effective expression.

"The pursuit of knowledge and understanding that the Center is committed to will be all the more crucial in the coming years. We're going to depend more than ever on the counsel of learned men and women in a world that is changing rapidly, a world interconnected as never before in history. New ideas, new technologies-and the diplomatic and trading relationships they spawn-are developing at literally an astounding pace.

"In a city that is preoccupied with short- term policy issues, the Wilson Center encourages the longer view. In a city preoccupied by politics, you draw support from all parties and all quarters with funding from both the public and private sectors. "

In the year since President Bush addressed us, the world has indeed changed rapidly--and at a pace more rapid, I dare say, than anyone anticipated. In these circumstances, the "longer view" that the President singled out as characteristic of the Woodrow Wilson Center has become even more important as the need for perspective on revolutionary changes increases.

After speaking of the renewed relevance of Woodrow Wilson's legacy, Senator Moynihan too alluded to the accelerating pace of events. Recalling the founding of the Center, he said: "We proposed an institution of learning that the 22nd Century will regard as having influenced the 21st.' Not bad for hedging your bets. Yet, I dare to think that events are speeding up; that the relevance and significance of the Woodrow Wilson Center has become greater sooner than we had hoped for. But not a moment too soon!"

How has the Center responded to this exciting challenge? Essentially, by remaining true to its statutory mission of "symbolizing and strengthening the fruitful relation between the world of learning and the world of public affairs," while seeking ways of improving every aspect of its operations. I shall speak briefly of a number of changes and accomplishments during the past year, of our continuing efforts to find an appropriate permanent home, and of our FY 1991 budget request.

Representative Conferences

Recent and forthcoming conferences at the Wilson Center are illustrative of the Center's significant role in giving historical perspective and analytical depth to topics of both present and lasting interest and concern.

Against the backdrop of rapidly evolving political, economic and social changes in the Soviet Union, the Center held a conference during this past week (May 5,6, and 7) on the subject of "Reform in Russian and Soviet History: Its Meaning and Function." Conference participants consisted of American and Soviet academicians, as well as two members of the Supreme Soviet of the U. S. S. R. The conference dealt with the concept of reform beginning in late imperial (nineteenth century) Russia and ending with consideration of present day social and political reforms.

On April 23 and 24, the Center sponsored a conference on "Helsinki II and the Future of Europe" that brought together some seventy policy makers and academics to discuss how the Helsinki process could help create a more stable and democratic Europe. Chaired by Ambassador Max Kampelman, the conference examined security, economic, and human rights issues in a somewhat expanded version of the three baskets of Helsinki accords.
The conference participants included senior representatives from the Executive Branch and the Congress, and the dinner featured a speech by Representative Steny Hoyer, Co-Chairman of the U. S. Commission on Security and Cooperation in Europe. The conference papers and a summary of the proceedings will be published by late June.

Even before the student demonstrations took place in Beijing, the Asia Program had decided to focus on the changing role of intellectuals and the state in China—a central issue in China for centuries. An informal seminar with Hu Quiao-mu, a former member of the Politbureau, and a leading Communist Party theoretician, began a series of seminars and evening programs that included a half-day conference summary titled "China's Continuing Revolutions: Perspectives From Modern Chinese History."

A conference on the perennial Northern Ireland issue to be held next week will bring together a group of prominent government officials, corporate and community leaders, and academics from the United Kingdom, Ireland, and the United States to analyze the history of Anglo-Irish relations, the dynamics of current social and political change in Ireland, the implementation of the 1985 Anglo-Irish agreement (Hillsborough Accords), Anglo-Irish relations and the European Community, and the United States and Northern Ireland. The conference has received endorsement from the highest level of the Irish and British governments.

On the occasion of the bicentennial of the Bill of Rights (1789-91), the Center is conducting a series of workshops that will examine "rights discourse" and the development of American public culture. One of the most striking features of political life in the West, and beyond, during the past generation is the ever more persuasive use in public affairs debates of "rights discourse"--to understand, to propose, to demand, to justify, and generally to persuade. A volume of original essays are planned that will examine the Bill of Rights in philosophy, politics and law from 1791-1991. Illustrative topics are: "Early Modern Concepts of Rights," "The Bill of Rights and Anglo-American Legal Thought and Practice," "The Culture of Rights in Postwar America," and "Rights as Law in Contemporary America."

Other Outreach

In addition to major conferences and meetings which are mainly held locally, the Woodrow Wilson Center has focused attention during the past year on increasing dissemination of the scholarship produced here. We have done so by expanding "Radio Dialogue" coverage, securing the financial base of the "Wilson Quarterly'" and exploring ways of reaching high school and college students.

—Radio Dialogue

"Radio Dialogue," the Wilson Center's nationally syndicated weekly interview program achieved major goals during the past fiscal year. We installed an efficient, on-site recording studio to permit more innovative programming at substantially less cost. The "Radio Dialogue" staff developed a number of high quality serial programs on key topics including Congress and the court system, the Caribbean Region, and change in Eastern Europe. Most significantly, the program increased its national coverage from 58 to 118 stations.

--Wilson Quarterly

I am pleased to report that the effect of economies recommended by the Wilson Quarterly's new publisher has resulted in a dramatic turnaround in the Quarterly's financial condition. From a deficit of $800,000 with which I was confronted when I first became the Director in FY 1988, the Quarterly managed to reduce its operating deficit to just over $200,000 in FY 1989, and to a projected break even status in 1990. Circulation appears to be holding steady at a level of 70,000 paid subscriptions.

--Student Programs

With the encouragement of this Subcommittee, the Center has been exploring ways to communicate the results of the scholarship being accomplished here to wider audiences, especially to young people. Toward this end, we will soon establish an educational outreach program in collaboration with the Close Up Foundation's Washington Program. Plans call for the Center to hold a discussion each month with some 50 to 60 high school students from all over the country, conducted by senior staff and Fellows. These discussions will focus on a wide range of important topics relating to civic education and vital national and international issues.

Internal Changes

The Center's twentieth anniversary came at the mid-point of a year characterized by continuity, by change, and perhaps above all by self-examination. As I predicted it our hearings last year, the basic values and ways of operating that have brought the Center so far in such a short time were reaffirmed, while certain aspects of our procedures were altered--I hope, and believe, for the better.

--Fellowships

The Center's fellowship program is arguably the heart of everything we do, and represents the single most substantial portion of our appropriation.

I am happy to report that the accomplishments of our Fellows continue to be impressive. In each of the past two years, the National Book Award for nonfiction was awarded to a former Wilson Center Fellow for a book written substantially at the Center--in 1989 to Tom Friedman for From Beirut to Jerusalem, and in 1988 to Neil Sheehan for A Bright Shining Lie: John Paul Vann and America in Vietnam. Also, in the past year, two recent Fellows were appointed to important international positions--Geir Lundestad was named Director of the Nobel Institute and secretary of the Nobel Peace Prize Committee, while Ibrahim Gambari was made the Nigerian Ambassador to the United Nations; and yet another Fellow, Bronislaw Geremik, was elected Solidarity floor leader in the lower House of the Polish Parliament.

As I reported last year, a committee established by the Board of Trustees was set up to examine every aspect of our fellowship program and to recommend to the Board any changes it might deem desirable. The Board's concerns were three: 1) attracting to the Center the best possible applicants, pursuing the most significant scholarly projects; 2) ensuring that these applicants were judged by uniform standards; and 3) creating at the Center each year a community of scholars and practitioners. Measures designed to meet all of these concerns were successfully implemented during this past fellowship competition.

The former system required that applications for fellowships be submitted through one of the Center's programs, each of which was assigned a quota. As a result, it was not possible to evaluate the quality of all applicants relative to one another, nor was it possible to consider the relationships among the proposed topics in any comprehensive way. Moreover, the system discouraged applications from individuals whose research did not fit into one of the prescribed program categories.

Under the new system, applicants apply simply to the Center itself, rather to one of its programs. Each application is sent to three readers of the Center's choice, expert in its field. On the basis of these readers' responses, and in some cases also the views of staff, the best and most competitive applications are sent to a single Center-wide committee which recommends Fellows and alternates to the Fellowship Committee of the Board of Trustees.

Discussions of the Center-wide fellowship committee were thorough and remarkably well-informed. Several members of the committee who had served on the Program Advisory Councils under the old system went out of their way to applaud the new system, citing precisely the reasons that led to its establishment: the ability to consider relationships among proposals and among applicants in composing an exciting class of Fellows for the coming year. The committee members also were impressed with the quality of the applications, judging them to be better than those of previous years.

Largely as a result of these new procedures, and to some extent also as a result of the more effective publicity that we gave to our fellowship program, we received 676 applications for this year's competition, an increase of nearly 70 percent compared with previous year's 403.

--Program Structure

One further significant change that we carried out during the past year involved a reorganization of our program structure with a view toward encouraging attention to topics that cut across geographic boundaries and fostering comparative studies that involve necessarily more than one part of the world.

Replacing the previous organizational structure of eight programs, six of which were geographically defined, the Center has established three major divisions. These are:

1) a Division of United States Studies, essentially a continuation of the previous American Society and Politics Program;

2) a Division of Regional and Comparative Studies, which consists of all of the other geographically defined programs: Asia, Eastern and Western Europe (now combined in a single program), Latin America and the Soviet Union (Kennan Institute);

3) a Division of International Studies which represents a significant broadening of the previous International Security Studies program to enable it to address such other concerns of global scope as the environment, communications, economics and culture. The former program on History, Culture and Society has been eliminated, its subject matter incorporated into the other programs.

An excellent example of how the new structure is already achieving its desired integrative effect is a continuing examination of economic and security issues around the Pacific Rim, developed jointly by our Asia and International Studies Programs and funded by the Pew Memorial Trust.

—Accounting System

It is worth noting also that our new trust-fund accounting system has been implemented and is operating successfully. With this new system, all accounting information is current and on-line and official reports covering all non-appropriated funds are issued within one day after the close of the month.

Permanent Home

Last year, I reported to this Subcommittee that the possibility existed for the Woodrow Wilson Center to fulfill its 1968 congressional mandate (Public Law 90-637) by relocating to a permanent site within the International Cultural and Trade Commission complex on Pennsylvania Avenue. Since then, a developer has been selected to construct the project. After continued discussions between the developer's architect, Mr. James Freed, and the Center that spanned a three month period from November to February, an exterior model of the proposed Woodrow Wilson Center that met our requirements was conceived. The plan as it now exists would give the Center a dignified, permanent home that would be appropriate for the Presidential memorial stipulated in our founding legislation, and would for the first time adequately meet the Center's practical needs. Interior spaces of 50,000 square feet have been allocated to the Wilson Center, based largely on the 1988 Facilities Study authorized by this Subcommittee through reprogramming.

After review of the proposed plans and a presentation by the architect, our Board passed the following resolution at its March 7, 1990 meeting:

"RESOLVED, that the Board of Trustees congratulates James Freed on his plan for the Woodrow Wilson Center as part of the International Cultural and Trade Center complex, and approves in principle the building designed by Mr. Freed as the future, permanent home of the Center, assuming adequate Congressional support. The staff is encouraged to work with Mr. Freed and his associates on refinement of the plan, and in particular of the interior spaces."

FY 1991 Appropriation Request

For FY 1991, we are requesting a Salaries and Expenses appropriation of $5,074,000, an increase of $374,000 compared with the FY 1990 appropriation, before sequestration, of $4,700,000. Aware of the difficult fiscal environment, we have limited our FY 1991 request to what is almost solely a stay even budget.

Most of the proposed increase, $286,000 or 76 %, is the result of inflation: $217,000 related to mandated pay increases that apply to staff and to Fellows whose costs for travel and health insurance have increased as well; and $79,000 to keep pace with the rising cost of library journals, office space rental and research assistant stipends. Recognizing lower than anticipated costs of our computer replacement program, we are applying a sum of $10,000 toward these same inflationary increases.

The balance of our requested increase, $88,000 or 24 %, is urgently needed for the Center's successful publications program. Book publishing, done in cooperation with Cambridge University Press and University Press of America, is a major vehicle of outreach through which we are able to disseminate to national and international audiences the results of scholarship being accomplished at the Center.

The response to two of our recent books demonstrates the excellent reception that our publications have had with the policy making and scholarly communities, as well as the public. Copies of Problems of Balkan Security, published in 1989, have been requested by members of Congress and by policy and defense oriented "think tanks," while The Truman Presidency, published in conjunction with Cambridge University Press, has been so successful that a second printing has been scheduled for January 1991.

Among other works published during FY 1989 are Religion and Twentieth Century American Life; American Media: The Wilson Quarterly Reader; and Scholar's Guide to Southwest Europe. Representative of the books published or scheduled for publication in the current fiscal year are: Between the Blocs: Problems and Prospects for Europe's Neutral and Nonaligned States (November, 1989); Origins of Terrorism: Psychologies, Ideologies, States of Mind; The State and Economic Knowledge; and The Soviet Union and Marxist Revolutions.

In FY 1990, the federal appropriation provided a total sum of $216,000 for the Center's publishing program. Of that amount, $130,000 is being used to support the salaries of the Director of Publications, a secretary and an editor; $50,000 pays the cost of the new Woodrow Wilson Center Report, and $25,000 covers the cost of producing the Center's Annual Report. This leaves a balance of only $11,000 for the remainder of the Program's needs which we estimate will cost $99,000. These consist of contractual editing of manuscripts and preparation of manuscripts for press, publications costs of a new volume in the Scholar's Guide Series, and miscellaneous editorial and production costs.

The most pressing requirement stems from the substantial editorial and manuscript preparation costs that are required for each volume, although our co-publishers bear by far the greatest portion of the cost of publishing each book. The total cost of producing a volume with Cambridge University Press (CUP) is approximately $33,000. According to our agreement, CUP defrays $27,000 of this $33,000 for such items as typesetting, plate making, paper, printing, and binding, while the Center provides the remaining $6,000 for editorial and manuscript preparation costs. With six such titles planned per year, an annual amount of $36,000 for editing, word processing, proofreading, and indexing is needed for the CUP series alone. An additional amount of $29,000 is needed for similar editorial costs to produce titles published under the Center's arrangement with University Press of America.

A further need for increased publications monies stems from the Center's taking over from the Smithsonian Institution Press the responsibility for publishing the Scholar's Guides, a series of 13 volumes to date that provide a valuable service to scholars. The Guides identify, describe, and evaluate resources in the Washington metropolitan area that are pertinent to the in-depth study of various regions of the world. To cover the cost of publishing one new or revised Scholar's Guide per year, a sum of $18,000 will be required.

Finally, an amount of $16,000 would be used to cover other essential expenses consisting of fellowship application and publicity materials, honoraria for external scholarly reviews of prospective manuscripts, and miscellaneous editorial and design costs.

Mr. Chairman, my colleagues and I will be happy to attempt to answer any questions you and the Members of the Subcommittee may have.

30-547 O—90——8

Mr. YATES. Mr. Blitzer, tell us what it is that you want us to do for Woodrow Wilson.

Mr. BLITZER. May I first, Mr. Chairman, say what a great pleasure it is to be back before this Committee.

Mr. YATES. It is a pleasure to have you.

Mr. BLITZER. I calculate this as the 17th time for me.

Mr. YATES. Really?

Mr. BLITZER. I think so. Over all of those years, one thing I have learned——

Mr. YATES. And you're still representing the Smithsonian? Is Woodrow Wilson a part of that?

Mr. BLITZER. I'm trying to behave like Carter Brown. [Laughter.] Oh, there he is.

Mr. YATES. Carter, I just asked him a question. He said he had been here 17 times. I said, "As the representative for the Smithsonian again?" He said he is trying to answer like Carter Brown does when I asked him about that. [Laughter.]

Mr. BLITZER. The one thing I've learned in all those years, especially since you've become the chairman, is that our request will get a fair and even-handed consideration.

Mr. YATES. I'll even go further than that. I'll take it that all you want is a fair advantage. Right?

Mr. BLITZER. We want what you feel like giving us. My written statement is in the record. I don't know how long I have. I read in the paper all that you have to do today. How long can I impose on you with——

Mr. YATES. Don't impose too long because we have Carter and we have the Commission of Fine Arts to follow you.

Mr. BLITZER. I can skip all of this and answer questions if you prefer.

Mr. YATES. Well, no, you just tell us what you want. Do you have a problem?

Mr. BLITZER. No. In a very few minutes what I'd like to do is three things. First, literally to list some of the chief accomplishments of the Center since we last appeared before you. Second, to try to give——

Mr. YATES. Before we go further, Charlie, let me ask you: is this budget adequate for your purposes?

Mr. BLITZER. Well, OMB cut our request by $200,000.

Mr. YATES. All right. Tell me whether that hurts you and what you wanted the $200,000 for.

Mr. BLITZER. Essentially they cut two items. One was $150,000 that we had requested partly in response to the concerns of this Committee that we do more for high school children. The idea was with the $150,000 we could provide at cost with no profit whatsoever to us, a free subscription to the Wilson Quarterly to every public high school in America at $6.00 a piece for 25,000 high schools.

Mr. YATES. That increases your circulation for your advertisers, too, doesn't it?

Mr. BLITZER. Well, moderately, but advertisers count only paid circulation. We are now very close to reaching an agreement with

something called "The Closeup Foundation," which at their expense rather than ours will, if this works, bring to the Center every month 50 high school students from around the country who will meet with our Fellows and with our staff members and talk about and hear about interesting things. That being the case, it seems to me that perhaps that's as much as we should expect to do in the coming year for high school students. Perhaps we can forego that $150,000.

There is an additional $50,000 that we were not allowed that I think may hurt us. That was $50,000 so that we could hire an architectural consultant to help us to work with the architects of the International Cultural and Trade Center, particularly on the internal planning of the building. We among ourselves don't have this expertise. We've talked to the Smithsonian, and they're happy to give us the names of people, but either they don't have it or they're too busy. That $50,000 would be very helpful.

There is one other thing, if it's proper for me to say it.

WORKYEAR NEED

Mr. YATES. Of course it is.

Mr. BLITZER. You will be relieved to hear that it involves no money whatsoever. I gather it is within the power of this Committee to authorize additional workyears for us. It would be enormously helpful to me if you saw fit to give us two or three more workyears for which we would request no money. The reason we wouldn't need money—let's hypothetically say if, in our judgment, it would be more useful to the Center to have two people at $30,000 a year rather than one at $60,000——

Mr. YATES. Why don't you give me a memorandum on that?

Mr. BLITZER. I'd be delighted to.

Mr. YATES. Okay.

[The information follows:]

ADDITIONAL WORKYEARS

The Center currently is operating under a workyear ceiling of 40. Three additional workyears, for a total of 43, would give the Center the flexibility to meet its needs as economically as possible through good management practices.

The Center specifically needs one more workyear to accommodate the position of "radio production assistant" authorized by Congress in FY 1990. No additional funds are required to support the position since we are able to absorb its funding within the overall Radio Dialogue budget.

Staffing needs have developed at the Center, mainly at the lower end of the wage scale, which could be resolved through prudent position management if we had the workyear authority. Whenever possible, we reexamine the need for each vacant position before hiring a new individual, and attempt to fill vacant positions at lower grades and steps than held by the previous occupants. With the accumulation of sufficient salary savings (after covering remaining portions of mandated pay raises), authority for 43 workyears would enable the Center to hire additional staff, if necessary, without any further federal funds.

WORKS ON CENSORSHIP

Mr. YATES. Tell me—I know you haven't been there very long, but in your vast experience, at the Smithsonian, teaching before that, and at Woodrow Wilson now, have you encountered any works on censorship and treatises on censorship? The reason I'm interested in that is I'm wondering about the present wave that

seems to be coming over the country of trying to keep within bounds whatever expressions people want to——

Mr. BLITZER. I could go all the way back to Milton's Areopagitica and to John Stuart Mill.

Mr. YATES. I just wondered whether any of your scholars to your knowledge have treated that question either in this country or in the countries from which they came?

Mr. BLITZER. I don't offhand recall any. Mr. Wells has been around longer.

Mr. WELLS. I don't remember any of them working on it in projects for us. I think some had worked on issues of censorship in earlier work they have done, but we could check that.

Mr. YATES. If there are works on it, I'd be very grateful if you could let us read them.

[The information follows:]

CENSORSHIP

Several Woodrow Wilson Center scholars have dealt with issues of censorship and freedom of speech in their work at the Center. The most relevant is the volume the Chairman received during our hearings, "Liberty of Expression," edited by Philip S. Cook (Wilson Center Press, 1990). Also in press is a related volume on the concept of liberty in France and America due to be published in late 1990. Several other books done at the Center discuss state censorship and propaganda, notably Madeleine Korbel Albright, "Poland: The Role of the Press in Political Change" (Praeger, 1983).

None of the publications by Wilson Center scholars has covered the subject of censorship in the arts and humanities specifically.

RESPONSE TO HELMS AMENDMENT

Mr. BLITZER. It would be a good subject for a conference. One of the things we do is have conferences. It is a subject that concerns me very much, too.

Mr. YATES. Contrasting the newly freed nations of the Soviet world. What are the differences now? Are there any remnants? Are they free to do what they want? How much freedom do they have? I wondered whether by some chance you would remember this. I know you're familiar with the Areopagitica. Interestingly, I got a letter from Professor Joe Cash of McNiece College. Do you know where McNiece College is?

Mr. BLITZER. In Texas, I think.

Mr. YATES. No. It's in Lake Charles, Louisiana. He came from Texas. It seems to me that Joe Cash would be a perfect Texas name. He wrote a letter to his Senator, who is Senator Johnston, in which he expressed his utter opposition to the Helms amendment which was pending last year. He cited the Areopagitica as a church-going Christian that teaches Sunday school, and so forth. He might not like the exhibits to which the Helms amendment was addressed, but he said he wasn't going to tell others what they should see, or what they should say, or what they should think. He didn't want Senator Helms to tell him what he could say, what he could think, or what he could do. He hoped the Senator would vote accordingly.

As a good church-going Christian, he cited so many passages from the Bible, which he said would be found pornographic under the Helms amendment and not capable of reproduction or depic-

tion. David and Bathsheba, he cited, and Lott's daughters getting their father drunk, so they could lay with him and start a new race of people and a few other things.

Mr. BLITZER. Sodom and Gomorrah.

Mr. YATES. Yes. That's what they're accusing the NEA of being today—Sodom and Gomorrah. I don't think it qualifies exactly.

At any rate, we don't have time to reminisce this morning, and I shouldn't. Go ahead, Charlie. Is there anything else you want to tell us?

Mr. BLITZER. I'd love to run through——

INTERNATIONAL CULTURAL AND TRADE CENTER

Mr. YATES. Did you have to move?

Mr. BLITZER. No.

Mr. YATES. Is that picture yours or somebody else's?

Mr. BLITZER. That is a photograph of the model of the International Cultural and Trade Center into which I hope we may move if it gets built.

Mr. YATES. Is all of that yours?

Mr. BLITZER. No. [Laughter.]

Mr. YATES. Wow. You're really an empire builder, Charlie.

Mr. BLITZER. It's just the upper left-hand corner.

Mr. YATES. The garrets?

Mr. BLITZER. No, no, that whole building.

Mr. YATES. Oh. Wow.

Mr. BLITZER. I'd like to say that of the seven competitors——

Mr. YATES. Will you be able to move into that?

Mr. BLITZER. My dream is that I'll live just long enough to move into that. [Laughter.]

Mr. YATES. Last year you expressed some question as to whether you were going to be able or were going to move.

PLAN FOR WILSON CENTER BUILDING

Mr. BLITZER. Well, we did not like the original plan of the developer and architect that PADC chose to build this project. I've spent hours now with Mr. Freed, who is fascinating. I must say that——

Mr. YATES. Is that Mr. Freed of I.M. Pei?

Mr. BLITZER. Yes.

Mr. YATES. He is a fascinating guy.

Mr. BLITZER. In my book, he is also an enormously gifted one. We were really asking him to do something that I sometimes thought was impossible, which was to take 50,000 square feet in a 2.5 million square foot complex, make it look like a memorial to a President and give it some identity, which is what Congress had said 22 years ago it should have.

He tried a couple of times, and I told him that neither I liked it nor did I think my board would like it. Finally, he came through with what you have before you, which I think is really——

Mr. YATES. Did he do the whole thing?

Mr. BLITZER. Yes. He is the architect of the entire pale-colored part of it.

Mr. YATES. Wow.

Mr. BLITZER. It is the whole complex.

Mr. YATES. Has this passed the Fine Arts Commission?

Mr. BLITZER. I don't believe so.

Mr. YATES. It hasn't been submitted yet? Preliminary approval?

Mr. BLITZER. Yes. I think if it happens, as I say, it is a marvelously ingenious and appropriate solution. Perhaps more important than what I think, Senator Moynihan, who is the one who is responsible for our legislation saying we should be on Pennsylvania Avenue, is, if anything, even more enthusiastic than I am. Our board——

Mr. YATES. Is he on your board?

Mr. BLITZER. No.

Mr. YATES. Why is he so enthusiastic?

Mr. BLITZER. He loves Pennsylvania Avenue.

Mr. YATES. Oh, I see.

Mr. BLITZER. And the Woodrow Wilson Center, too, I may say. That is how he really got into all of this. Our board in March passed a resolution expressing its pleasure with this and approving in principle the notion that we should move into it. There are three things to be concerned about, I think. We haven't really seriously begun to work with Mr. Freed on the internal design of the building, but I'm not worried about that. Another thing he has done apart from giving 50,000 square feet some prominence in this vast complex is he has also given us an extraordinary amount of natural light. I think we can work with that. The second problem is the rent. I can't tell you anything about that yet.

FINANCING OF NEW BUILDING

Mr. YATES. Who is going to pay for the construction?

Mr. BLITZER. The deal is that a private developer will build this to the specifications of the Government. They will lease the whole thing to the GSA.

Mr. YATES. Do you have any idea as to how much rent you're going to pay yet?

Mr. BLITZER. It is really a little early to say.

Mr. YATES. All right.

MAJOR ACCOMPLISHMENTS

Mr. BLITZER. Could I just list what seems to me to be our major accomplishments of the past year?

Mr. YATES. Sure. But you have so many.

Mr. BLITZER. I have pared it down to about six. I really will list them. I will skip the moving quotations from the President and Senator Moynihan that are——

Mr. YATES. And from the Areopagitica.

Mr. BLITZER. Yes, our gala anniversary dinner, which some of us remember as "the night the cars got towed away." You were there, and you heard them, and you know how supportive and challenging both of them were.

Mr. YATES. Yes.

Mr. BLITZER. Very briefly. This is a quick list. We changed all of our procedures for recruiting and selecting fellows. The result of that was an increase of 70 percent in the number of applications

for fellowships that were received this year. That is, 676 compared to 403 the previous year.

Secondly, we have reorganized the Center's program structure. A year ago when I sat here we had eight programs. We abolished one and we combined two others. We now have six programs. These six programs are now organized into three divisions. I think we now have a structure that enables the Center as a whole to address a whole variety of topics that previously didn't find any natural home there. We also have, I think, demonstrably increased cooperation among our programs.

Thirdly, thanks to skillful and prudent management, not by me, but by a publisher we were lucky enough to find, the Wilson Quarterly has moved from the insupportable deficit of $800,000 that I found in the year I arrived, to a kind of transition deficit of $200,000 last year, to what is projected to be a break-even this year and in subsequent years.

The number of stations carrying our Radio Dialogue program, which we also reorganized and put in different hands, has more than doubled in the past year from 58 to 118.

The other two I've already mentioned: our plans with the Close-up Foundation and the International and Cultural and Trade Center. So I would say those are the major things.

Mr. YATES. Good. Thank you very much. Charlie, we'll have some questions for the record for you.

NEW BUILDING STATEMENT

Mr. BLITZER. I have a couple of statements perhaps I might submit for the record also, if—

Mr. YATES. You may, indeed. I thought I had put those into the record.

Mr. BLITZER. Well, no, apart from the opening one. I have a——

Mr. YATES. Yours has been put in the record. Whose did you——

Mr. BLITZER. I have a longer statement about the whole building question.

[The information follows:]

May 9, 1990

A PERMANENT HOME FOR THE WOODROW WILSON CENTER

I

Before discussing the present status of the International Cultural and Trade Center, it will be useful to restate briefly the reasons why the Center should contemplate a move at all.

1. The 1968 statute that established the Center explicitly and unequivocally states that the Center shall be housed in a building of its own (including "an exterior classical frieze memorial to Woodrow Wilson") on Pennsylvania Avenue. The Board is authorized to plan and construct such a building.

This provision of Public Law 90-637 was neither casual nor whimsical. It reflected the view of the Congress that the Center, as an official presidential memorial, should occupy a building of appropriate character located in the heart of the city and accessible to tourists and casual visitors, as well as to the Center's usual clientele.

2. At present the Center occupies approximately 17,000 sq. ft. in the Smithsonian Castle and approximately 14,000 sq. ft. of leased commercial space on L'Enfant Promenade. This separation of the Center into two parts is inconvenient and, more importantly, flies in the face of the notion that the Center should be a community, all parts of which work closely and fruitfully together. The Wilson Quarterly is remote from the Center's Fellows, the Kennan Institute's Fellows are in one building, its staff, library and guest scholars are in another. One could cite numerous other instances of similar, counterproductive divisions within the Center.

3. As to the Center's space in the Smithsonian Castle, notwithstanding its period charm, it would be difficult (perhaps impossible) to imagine a configuration less suited to the needs of the Center. Due to severe space constraints, a number of Fellows are assigned to woefully inadequate and unattractive studies. Twelve Fellows occupy studies that serve also as passage ways to the studies of other Fellows, thus depriving them of any semblance of privacy. In addition to this, the total number of studies available (be they ever so dreary) is considerably smaller than the number of Fellows, Guest Scholars and visitors the Center can and should attract. The Center has one seminar room, which can accommodate approximately twenty people. Any larger meetings must be held in the Library, which means that the Center has no Library when such meetings are in session. The dining room is depressing, windowless and inadequate. The Smithsonian Regents' Room is clearly an asset, but one that is available only when it is not being used by the Smithsonian. Finally, there is not even one place in the Center where Fellows and staff can gather comfortably and informally for conversation and exchange of ideas.

4. The Center's location in the Smithsonian Castle (and on L'Enfant Promenade) deprives it of any visible identity. Outsiders, be they scholars or businessmen or members of Congress, perceive it -- insofar as they perceive it at all -- as simply another part of the Smithsonian Institution. While this is most certainly not an association of which we should be ashamed, it is one that materially complicates the Center's efforts to raise private funds, to cultivate congressional interest and support, and possibly even to recruit Fellows and Guest Scholars.

Beyond these practical considerations, returning to the first paragraph above, the close identification with the Smithsonian clearly defeats the original intent that the Center should be a visible memorial to Woodrow Wilson.

II

In the name of fairness and balance, one should also ask whether there are advantages in our present location and close identification (or confusion) with the Smithsonian that outweigh the problems. Clearly previous directors, and presumably previous Boards, must have thought so. Few if any serious efforts were made to secure the building called for in the Center's original legislation; the Center's logo, which appeared on everything from its necktie to the Wilson Quarterly, was the Smithsonian Castle.

The belief, presumably, was that the Center stood to gain both practically and symbolically from its physical presence in the Smithsonian because of the Smithsonian's venerable traditions, scholarly repute, and alleged political invulnerability. There is surely something to be said in favor of this view, but even granting its merits it seems difficult to maintain that these arguments outweigh both an act of Congress and the manifold practical difficulties cited above.

There was also a theory that, so long as the Center was located in the Smithsonian Castle, the Federal government paid virtually nothing to house it. In one sense this is correct; the Center's appropriation contains $75,000 annually to reimburse the Smithsonian. In a larger sense, however, it is clear that the 18,000 square feet occupied by the Center in the Castle contributes to the Smithsonian's need for rental space elsewhere in Washington. The Congress now provides $2.9 million to the Smithsonian for the rental of this space. If the Center were to move, and the Smithsonian were to recover the space it occupies, the need for these funds would presumably be reduced proportionally. It is reasonable to suppose that this reduction would exceed $500,000 annually. Added to the approximately $400,000 the Center now pays to lease commercial space, this constitutes a "base" of roughly $1 million a year.

It should also be added that the physical relocation of the Center should not and need not result in any programmatic dissociation from the Smithsonian. The plain truth is that even in the Castle the Center has not worked nearly as closely as it should with the Smithsonian on matters of common intellectual interest. This can and should be corrected regardless of where the Center is located. One might add in passing that the Pennsylvania

Avenue site is no further from the Smithsonian buildings on the north side of the Mall than is the Castle, and closer to the entire Smithsonian on the Mall than is the L'Enfant Promenade building.

Finally, it has been suggested that the Center might have the best of both worlds by relocating to another site on what is referred to as "the Smithsonian campus". The suggestion that the Smithsonian might give the Center either the Castle or the Arts and Industries building in its entirety seems farfetched in the extreme; even if this were not the case, neither building seems particularly appropriate as a memorial to Woodrow Wilson. At one time there was perhaps a very slight possibility that a building for the Center might be constructed on what is called with deadly accuracy "the last site on the Mall"; that site, however, is now going to be the location of the new Museum of the American Indian. This would seem effectively to eliminate the only imaginable possibility that the Center might find a suitable new home on "the Smithsonian campus".

III

More than twenty years after the enactment of Public Law 90-637 it is clear that there remains only one possibility for the Center to secure a permanent home on Pennsylvania Avenue that would be generally congruent with the intent of that statute: the International Cultural and Trade Commission (ICTC) complex.

Pursuant to legislation passed by the Congress in the summer of 1987, the ICTC is to be a vast complex of approximately 2.5 million sq. ft. fronting on Pennsylvania Avenue and on 14th Street. It is to be built by a private developer in accordance with very detailed specifications formulated by the Pennsylvania Avenue Development Corporation, leased by the developer to the General Services Administration, which in turn will re-lease it to its occupants; at the end of thirty years the developer will transfer title to the entire complex to the federal government.

The plan specifies that the complex will consist of three parts: 500,000 sq. ft. will comprise the ICTC proper, which will include theatres, large exhibition spaces, shops and restaurants, and a variety of offices concerned with international trade; approximately 2 million sq. ft. will be devoted to office space and other facilities for federal agencies, in particular the U.S. Information Agency; approximately 50,000 sq. ft. have been reserved for the Woodrow Wilson Center, with a clear understanding on the part of all concerned that the Center is in no way committed to taking this space.

As this list of its occupants suggests, the ICTC is not intended to be simply another large complex of government offices. Both the original legislation and the plan contemplate - as the name suggests - a center in the heart of Washington for public and private activities concerned with the international exchange of information, of cultural expression, and of commodities. It is this international character that makes the ICTC a particularly appropriate location for the Woodrow Wilson Center and also accounts for the special attention the planners have devoted to the Center.

They have come to realize that Woodrow Wilson and the Center that bears his name will add greatly to the stature and ambience of the complex, as we have come to realize that its facilities can be of substantial benefit to us.

Following a competition among seven potential developers, last fall the PADC chose one called the Delta Partnership, whose architect is James Freed of the firm of Pei, Cobb, Freed, and Partners.

When Charles Blitzer first met with Mr. Freed last November, after his selection, he discussed the shortcomings of the original provision for the Woodrow Wilson Center and told him that there was no possibility that he could recommend the existing plan to his Board, and no chance that the Board would accept it no matter what he recommended. By last December Mr. Freed had moved the Woodrow Wilson Center to a new location in the complex and had gone some considerable distance toward meeting what he perceived to be the Center's requirements. Mr. Blitzer congratulated him on this, but told him that he thought substantial revisions and improvements were still needed. The following Monday, Mr. Freed telephoned Mr. Blitzer from New York to say, in effect, that he had an illumination over the weekend and that he finally understood what the Center had been trying to tell him. He now believed that the official memorial to our great international President should indeed be the heart of the whole design. He said that he had not yet figured out how to do this, asked for a biography of Woodrow Wilson, and said that he would now go back to the drawing board.

On February 1st, the Chairman of the Center's Board and Mr. Blitzer -- accompanied by Senator Moynihan -- met with Mr. Freed and his associates to see what he had come up with. All were extremely impressed and pleased by the new plan. Mr. Freed had responded with remarkable ingenuity and imagination to what might have seemed an impossible challenge: to make 50,000 sq. ft. look distinctive and presidential in the midst of so vast a complex, while at the same time meeting all the Center's stated requirements for natural light, an appropriate memorial area and the like. It was a further refinement of this plan that Mr. Freed presented to the Center's Board of Trustees and the Wilson Council on March 13 and 14.

The Board responded enthusiastically to Mr. Freed's presentation and to the scale model shown to them. As a result, they unanimously passed the following resolution:

"RESOLVED, that the Board of Trustees congratulates James Freed on his plan for the Woodrow Wilson Center as part of the International Cultural and Trade Center complex, and approves in principle the building designed by Mr. Freed as the future, permanent home of the Center, assuming adequate Congressional support. The staff is encouraged to continue to work with Mr. Freed and his associates on refinement of the plan, and in particular of the interior spaces."

Although the Board shared the staff's enthusiasm for Mr. Freed's latest plan, there are a number of unresolved issues that must be faced before the Center can make anything approaching a firm commitment. The first, and we would suppose least troublesome, is the internal arrangement of the Center

within the envelope Mr. Freed has designed. This will require many hours of work by the Center's staff and Mr. Freed, and may also require the Center to engage a professional to serve as the Center liaison between it and the architects. The second and more serious issue is the rental cost the Center would be required to pay. At this point in the process, it is premature to do anything about this question. When we have firm figures from the General Services Administration, we will most emphatically be in touch with this Subcommittee, the Congress, and the Executive Branch.

IV

Finally, it should be noted that in view of the complexity and uncertainty of the ICTC project, the Center has maintained its long-standing interest in the possibility of constructing an appropriate building on the Providence Hospital site on Capitol Hill. Although the Center now views this as fall-back position, it nevertheless has many attractions as the Center recognized when it first raised the possibility twenty years ago. In the past two years, the Director has met several times with the Architect of the Capitol to discuss this idea. Further exploration does not seem in order unless major problems should arise with the Pennsylvania Avenue site.

RENT AT NEW BUILDING

Mr. YATES. Oh, I would like to know that. We did interrogate PADC about it. We want to find out certain things. If you're going to pay $3 million a year for rent, isn't that what you said GSA projected?

Mr. BLITZER. That is the planning figure they gave us.

Mr. YATES. $3 million a year. Maybe it is cheaper for the Government to build the thing.

Mr. BLITZER. It is conceivable.

Mr. YATES. So we want to find out from—we don't know the figures, but it is something we ought to ask PADC about because I would not like to think of that as a beginning rent. GSA has never reduced rents. GSA always increases them.

Mr. BLITZER. Yes. My hope is that with the help of Congress, or conceivably even with the help of the administration, we will not pay $3 million a year rent, but we will end up in that building. It is a four-year process. I also have another very brief statement, which I will or won't submit depending on your pleasure.

Mr. YATES. What kind of statement is this?

KENNAN INSTITUTE MEETING

Mr. BLITZER. It has to do with the controversial meeting the Kennan Institute had with a group of Russians in April. If you'd like it, we'll submit it. If you don't, we won't.

Mr. YATES. I have my feelings about it. I'm sorry that they were ever invited, but the information I have is that you really had nothing to do with it. It was the embassy that invited them.

Mr. BLITZER. We had nothing to do with their being invited to the United States. I may say my heart went out to the college in Billings, Montana that withdrew its invitation to them. I'd have to say that I think it is a case in which two quite different institutions—Little Big Horn College and the Woodrow Wilson Center—reached diametrically opposing policies, and both were correct. The more I think about it, the more I think we were correct in having them. It truly served a very useful purpose.

Mr. YATES. In what way?

Mr. BLITZER. In two ways. It exposed them to Americans, which I think was something of a shock to them. None of them had ever been to this country before. I have to say that——

Mr. YATES. Do you think you impressed upon them the desirability of changing some of their views?

Mr. BLITZER. Well, they certainly got a very clear indication of the unpopularity of that view in this country. I have to say we went out of our way to make sure there were informed people in the audience who could ask them tough questions. I think that is the way in which we differ from Billings, Montana.

Mr. YATES. Is there a tape of that conference?

Mr. BLITZER. There is indeed.

Mr. YATES. May I look at it? May I hear it?

Mr. BLITZER. You can hear it. I'm not sure it has been transcribed. I would be happy to give you the tape.

Mr. YATES. Sure.

Mr. BLITZER. I might just quote briefly from a story in the New York Daily News afterwards. The headline was, "Visiting Soviet Writers Blasted Washington." "A group of Soviet writers and editors on an American tour paid for by the USIA found themselves in a shouting match yesterday with critics who accused them of anti-semitism. The Russians appeared defensive, frustrated, and perplexed as controversy erupted about their U.S.-sponsored trip." I think that is a fairly accurate account. I think they really were taken aback by what they discovered. That is another reason I applaud Little Big Horn College. I think that was a fine thing to do, too.

The other thing, apart from educating the Russians, which I'm not sure is what we're in business for, is that it was enormously educational for Americans. I can tell you personally it was for me. The fact that, as one of my colleagues put it, "The issue of anti-semitism in the Soviet Union moved from the style section to the front pages and the editorial pages," I think is really very desirable. I think in a curious way it was the combination of our decision to go ahead and do it plus the protests of groups that thought we shouldn't do it that merged to finally bring attention to this. I might say that——

Mr. YATES. Have they gone home now?

Mr. BLITZER. No, no. They are wandering around somewhere.

Mr. YATES. Wandering around the country?

Mr. BLITZER. Yes. They have to find someplace other than Billings, Montana to send them. As far as I know, they are still here. I got a few phone calls from people who said we shouldn't do this.

Mr. YATES. Of course.

Mr. BLITZER. The kind of ultimate question they asked was, "Well, would you have had a group of Nazis in 1930?" That was a fair enough question. It was an interesting question. I have to say that it is one that I have wrestled with personally. What I've decided is—we weren't there in 1930, but if a similar institution had done it, it is possible that——

Mr. YATES. I think you may have had the——

Mr. BLITZER. It is possible the history of this century might have been different if people had been paying a little more attention to what was happening in Germany in 1930. If the price you pay is bringing the people here and confronting them, I think it is a price worth paying.

I might quote from a letter we got just last week from Richard Pipes at Harvard. I believe he was the Reagan administration Soviet man on the National Security Council staff. "I fully agree that your institute must hear every point of view, unpalatable as it may be. By doing so, you neither legitimize it nor honor those who advocate it. You merely fulfill your role as a source of information. Imagine a German Research Institute in the 1920s refusing to hear Nazi representatives." This is finally where I've come out, too.

Mr. YATES. All right. I'll read your statement, Charlie.

Mr. BLITZER. Appended to that statement, and I'll stop after this, is a meeting report of a meeting the Kennan Institute held in January preceding the April visit with the Russians. It was addressed

by Andrei Sinyavsky, the very distinguished emigree who teaches at the Sorbonne. Although he is not Jewish, he writes sometimes under the pen name of Auram Tertz.

He was there in January warning precisely about this phenomenon in the Soviet Union, about these organizations, often by name, and no one paid any attention at all. We sent the invitations to the same group who got the April invitations and maybe 100 people turned up. There was so far as I know not a word in the newspapers or television or radio. This meeting report was published and sent out to 5,000 people. No response whatsoever. Maybe the price you have to pay for understanding these people is to bring them over and confront them face to face.

SINYAVSKY TALK

Mr. YATES. That's an interesting thought. Have you offered invitations to Sinyavsky to be one of your scholars?

Mr. BLITZER. I don't believe we have. It is a good idea, but his wife won't leave Paris.

Mr. YATES. If he is as perceptive as you say he is, perhaps he would be——

Mr. BLITZER. Yes.

Mr. YATES. Thank you very much, Charlie. Appreciate it.

Mr. BLITZER. It's always a pleasure.

[The information follows:]

DIRECTOR'S STATEMENT ON THE
KENNAN INSTITUTE SEMINAR-APRIL 17, 1990

I would begin by referring not to April but rather to January, 1990, when the Kennan Institute organized a meeting on "Russian Nationalism and Perestroika" at which the speaker was Andrei Sinyavsky -- a Russian writer, literary critic, former political prisoner, and Professor of Russian Literature at the Sorbonne in Paris.

Sinyavsky, who incidentally is not Jewish, spoke powerfully and eloquently of the dangers of Russian nationalism and anti-semitism, arguing that they "could in some or other indirect fashion lead to Russian fascism." He specifically recalled that Nazi speakers were dismissed in the 1930s as unworthy of attention and reminded us of the "catastrophe" that followed. The entire point of Sinyavsky's talk, in other words, was to draw attention to the perils represented by the very movements and people -- some by name -- represented at the Kennan Institute's April meeting.

Announcements of the Sinyavsky meeting were sent to approximately 5,000 people: approximately 100 attended. So far as I am aware, the meeting produced no media attention whatsoever -- no newspaper articles, no columns, no editorials, no radio or TV broadcasts, indeed no echoes of concern from groups one might expect to take a special interest in his message.

Following the January 9 meeting, the Kennan Institute prepared and published a Meeting Report summarizing Sinyavsky's message. (a copy is appended.) This, too, was sent to about 5,000 people. Again, so far as I am aware, the public response was nil.

By contrast, the April meeting -- which offered Americans an opportunity to see, to hear, and to confront in the flesh precisely those of whom Sinyavsky had warned us -- drew extraordinary attention. The presence here of these Russian nationalists was reported on the front page of the Washington Post; the Kennan Institute meeting was reported prominently in the Post, the New York Times, the New York Daily News, and I am sure in many other newspapers; on two successive days, the Washington Post published columns by Mary McGrory, Charles Krauthammer, and Richard Cohen, and the following day the visit was the subject of an editorial in the New York Times. Suddenly, as one of my colleagues put it, the phenomena of Russian nationalism and anti-semitism had moved from the Style section to the news section and the editorial pages.

If, as I believe, one of the most important missions of the Woodrow Wilson Center is to draw attention to important developments around the world -- and perhaps particularly to

dangerous developments -- the April meeting succeeded beyond any that has occurred since I have been at the Center.

Those who opposed our holding the meeting, and urged me to cancel it, frequently asked whether we would have invited Nazis to the Woodrow Wilson Center in 1930. I find it difficult to answer such hypothetical questions, but I can say with absolute conviction (echoing Andrei Sinyavsky) that I fervently wish Americans had paid more attention to the Nazis and to their message of hate in 1930. If they had, perhaps the history of this century would be different and mankind would have been spared one of the darkest chapters in its annals. If, as our recent experience suggests, the only way to attract such attention is to confront such evils directly and to expose Americans to their spokesmen in the flesh, then I suppose my answer would be Yes. Just last week we received the following letter from Richard Pipes of Harvard, a member of President Reagan's NSC staff. Professor Pipes is clearly in agreement with both Andrei Sinyavsky and the Center. "I fully agree that your Institute must hear every point of view, unpalatable as it may be. By so doing you neither legitimize it nor honor those who advocate it: you merely fulfill your role as a source of information. Imagine a German Research Institute in the 1920's refusing to hear Nazi representatives! How badly it would have served its constituency."

I am not confident about the effect of our meeting on the Russian visitors. I can say that they were visibly shocked and obviously taken aback by the strength and depth of the abhorrence of their anti-semitic views expressed by those attending the meeting. I will quote briefly from the article in the New York Daily News, which appeared under the headline "Visiting Soviet Writers Blasted":

> WASHINGTON - A group of Soviet writers and editors, on an American tour paid for by the U.S. Information Agency, found themselves in a shouting match yesterday with critics who accused them of anti-Semitism.
>
> The Russians appeared defensive, frustrated and perplexed as controversy erupted about their U.S. sponsored trip, which will include appearances in New York City from May 9 to May 13.
>
> During a three-hour seminar here, speaker after speaker rose to quote extensively from anti-Semitic writings by members of the group and demand explanations.
>
> There were shouts, articles waved angrily in the air and at one point, a questioner accused Stanislav Kunayev, chief editor of Nash Sovremennik (Our Contemporary) of being a Nazi.

> ...Marshall Brement, a former U.S. ambassador, opened yesterday's seminar at the Kennan Institute by acknowledging that some of the Russians' writings were deeply offensive and would "complicate relations" between the superpowers.

I suspect that at the very least the Russian visitors, none of whom had been in the United States before, emerged with a much clearer impression of the American reaction to their views.

The decision not to cancel the April 17th meeting was not an easy one to make. I respect the views of those who urged cancellation, and indeed several of them are good friends of mine. In reaching my decision, I consulted a number of members of my Board of Trustees and others knowledgeable about Soviet and Russian affairs; they were unanimous in their view that we should go ahead with the meeting. Among those taking this position were: George Kennan, Max Kampelman, Jim Billington, and Bob Adams. I happen to share their view. And especially now that I can speak from the perspective of one who attended the meeting, I am persuaded that it contributed greatly to American understanding of one of the darker sides of the Soviet Union, and perhaps to more perfect Russian understanding of the United States -- in keeping with the mission and the tradition of the Woodrow Wilson Center. As the New York Times said in its editorial on April 20th, "The right response to unwelcome ideas is to engage in debate, not to avoid it."

MEETING REPORT

KENNAN INSTITUTE FOR ADVANCED RUSSIAN STUDIES
BLAIR RUBLE, Secretary

THE WILSON CENTER

RUSSIAN NATIONALISM AND RUSSOPHOBIA

The USSR is like a "huge metallic garage filled with combustible materials ready to blow up," according to Andrei Sinyavsky, Russian writer, literary critic, former political prisoner, and Professor of Russian Literature at the University of Paris-Sorbonne, France. While speaking at the Kennan Institute on January 9, 1990, Sinyavsky warned that "Russian nationalists are playing with fire in this combustible atmosphere, and one of the most dangerous matches is called Russophobia."

Sinyavsky argued that certain disquieting currents within the recent national-religious renaissance in Russia "could in some or other indirect fashion lead to Russian fascism." Notions such as preservation of monuments, environmentalism, and revival of history have begun to take on new, increasingly anti-Semitic meanings. Subtle insinuations can be found in the accents, stresses, and intonations with which these ideas are discussed. Sinyavsky noted a tendency among some Soviet and Western liberals to dismiss these manifestations. "One can hear that *Pamyat'*, for example, does not play any significant role in shaping the mental consciousness of Russia today." He then recalled how Nazi speakers were dismissed in the 1930s as not worthy of attention and recollected the "catastrophe" that followed.

Shafarevich and "Russophobia"

Sinyavsky was particularly perturbed by certain recent developments. He singled out for criticism an article by the famous mathematician Igor Shafarevich, a corresponding member of the Soviet Academy of Sciences and an honorary member of several foreign universities and academies. Last year in Germany, Shafarevich published a "fundamental piece of writing" which serves as a "theoretical foundation of fascism." Soon afterwards it was reissued in a condensed form in the Soviet journal, *Nash sovremennik* (Number 6), and entitled "Russophobia."

According to Sinyavsky, Shafarevich sees a "Small Nation," a euphemism for Jewish people, as being completely alienated from Russia, acting "out of hostility to the country's spiritual principles," and waging war on the "Big Nation," i.e. the Russians. Sinyavsky portrays Shafarevich as claiming "the aim of the 'Small Nation' is a final destruction of religious and national foundations. The result will be a final catastrophe, after which probably nothing will remain of the Russian people."

Shafarevich's ideas have been warmly received by some Russian nationalist writers whose work appears in such journals as *Molodaia gvardiia* and *Nash sovremennik*. Last year, one such article referred to Andrei Sakharov as an exemplar of hatred for his fatherland, and as an incarnation of Russophobia, noted Sinyavsky. He was distressed that instead of being opposed, Shafarevich was given opportunities to speak in liberal forums, and he was upset with the "timidity" of many liberals in regard to Shafarevich.

Who is Behind Shafarevich?

Sinyavsky expressed less concern about the "stupid and frivolous ideas of Shafarevich," than about "who may stand behind him, who supports him, and onto what soil his ideas are falling." He asserted that "the great authority of Solzhenitsyn stands behind Shafarevich." Sinyavsky expressed esteem for Solzhenitsyn's early works, such as One Day in the Life of Ivan Denisovich and The Gulag Archipelago, but he noted that Solzhenitsyn's views have evolved since his arrival on the Russian literary scene. "I cannot accept without question" his works as an émigré writer and publicist, said Sinyavsky.

Solzhenitsyn and Shafarevich have been close friends for many years and share many views, according to Sinyavsky. The two worked together on a collection of articles entitled Under the Rubble, which was published in 1974. Sinyavsky claims that, in fact, Solzhenitsyn popularized the usage of the term Russophobia. He noted that in a London press conference in 1963, the famous author suggested Western public opinion had for decades been influenced by anti-Russian sentiment. Sinyavsky cited the article entitled "Our Pluralists," where Solzhenitsyn claimed that Russian "pluralists are madly pushing the West to follow Hitler's path -- to wage war, not just against communism, but against the Russian people." Solzhenitsyn concluded that pluralists were Russophobic and that pluralism's aim was hatred toward Russia, according to Sinyavsky.

Sinyavsky observed that Solzhenitsyn, in his Lenin in Zurich, provides an original and particularly slanted portrayal of Lenin as a Russophobe who scorned Russia. Solzhenitsyn links Lenin, who supposedly had one-quarter Jewish blood, with world Jewry. Although he stated that he is not an admirer of Lenin, Sinyavsky found this portrayal very tendentious.

Sinyavsky argued that Solzhenitsyn and Shafarevich are both "conducting an inquiry into the supposed universal Russophobia on the part of Jews." But in fact there is no such Russophobia among Jews, he said. Moreover, "for more than a half a century no Jew has had a leading position in the Soviet government." Over the past fifty years, perhaps the government "could have repaired things in the country, but this is not taking place." The notion is still being put forth that "some kind of Russophobic Satan is preventing things from getting better."

In conclusion, Sinyavsky stated that "nationalism can be a positive thing until it brings out from itself a poisonous ferment -- the seeking of an enemy." Such was the case in the Soviet past with the "conceptualization of the class enemy. The struggle against the class enemy continued even after there were no classes left." Today the Russian nationalists, calling themselves patriots, are obsessed with the notion of Russophobia. "The bourgeois encirclement and penetration of the USSR are the nationalists' modification of Stalinist imagery. Russophobia has now become the enemy of the people." Sinyavsky contended that this is a myth that is not only vulgar but dangerous. At a time when the multi-national Russian empire is at the brink of dissolution, various peoples have expressed nationalist ideas. "To protect and support this Soviet empire," noted Sinyavsky, "there has risen a militant and powerful Russian nationalism."

--DA

Mr. YATES. You've brought all of these books.

Mr. BLITZER. Yes. That's just a sampling of what——

Mr. YATES. Wow. Did any of them sell?

Mr. BLITZER. Yes.

Mr. YATES. The Liberty of Expression. I'm looking for that, am I not? Is that what I——

Mr. BLITZER. That might be helpful.

Mr. YATES. Well, I'll sure look through this.

Thanks, Charlie.

Mr. BLITZER. May I congratulate the Committee on the redecoration of this room, too?

Mr. YATES. Well, this is a tribute to Carter Brown's institution more than anything else.

Mr. BLITZER. I see a few Smithsonian ones there, too.

Mr. YATES. Yes. The Smithsonian is here. When people from the Smithsonian came in, they wanted equal space. [Laughter.]

Not equal time, but equal space.

Mr. BROWN. We'll take equal money. [Laughter.]

Mr. YATES. Well, but you have to talk to Adams. Aren't you a part of the Smithsonian? [Laughter.]

I think I have a statute that says you're a part of the Smithsonian. Anyway, come on up, Carter. Thank you for coming, Charlie.

Mr. BLITZER Thank you.

[Additional questions and answers for the record follow:]

REORGANIZATION

Question: The Woodrow Wilson Center recently reorganized, changing its structure from 6 program areas to 3 divisions, and eliminating its program on History, Culture and Society.

--Why did you decide to change your organizational structure?
--What were the problems with the old structure?
--How will the new organization solve those problems?

Answer: After numerous meetings of the staff, and two meetings of the Program Committee of the Board of Trustees, the Board, at its October 10, 1989 meeting, adopted a new organizational structure. The new structure, which reduced fragmentation and administrative complexity, was designed also to encourage consideration of the broadest range of important topics and to improve communication and cooperation within the Center.

Replacing the previous eight programs, six of which were geographically defined, the Center established three major divisions. These are: 1) a Division of United States studies, essentially a continuation of the previous American Society and Politics Program; 2) a Division of Regional and Comparative Studies, which consists of all of the other geographically defined programs: Asia, Eastern and Western Europe (now combined in a single program), Latin America; and the Soviet Union (Kennan Institute); and 3) a Division of International Studies which represents a significant broadening of the previous International Security Studies program to enable it to address such other concerns of global scope as the environment, economics and culture. The former program on History, Culture and Society has been eliminated, its subject matter incorporated into the other programs.

While the old structure worked well up to a point, it has become increasingly clear that issues of national and international concern are not neatly divisible into area boundaries, and that fields of intellectual inquiry often involve a cross disciplinary approach. Moreover, we are able to address a variety of topics that previously found no natural home at the Center--for example, in June of this year we are holding a one-day conference on the urgent drugs issue.

A further example of how the new structure is already achieving its desired integrative effect is a continuing examination of economic and security issues around the Pacific Rim, developed jointly by our Asia and International Studies Programs and funded by the Pew Memorial Trust.

FELLOWSHIP PROGRAM

Question: On page 2 of your budget you say that the Center has established the U. S. academic year as the norm for a fellowship.

--Why was this approach taken?

Answer: This approach was taken in September 1989, emanating from a recommendation by the Fellowship Committee of the Center's Board. Among the Committee's major objectives were: (1) to create an annual class of Fellows who, coming to the Center at the same time and for a similar duration, would have the opportunity to develop collegial relationships; and (2) to provide a sustained period for the Fellow to accomplish his or her objectives, recognizing that serious scholarship requires such a sustained amount of time.

One of the main benefits of a fellowship at the Woodrow Wilson Center is that it affords the opportunity for scholars and practitioners in various disciplines to interact with one another and to benefit from one another's knowledge. A quote from a formal farewell letter from one of the Center's recent Fellows makes the point:

> I found the Center to be an ideal working environment, one that permitted long periods of sustained scholarly work while simultaneously providing a stimulating collection of colleagues and a rich calendar of talks, seminars, and conferences.
>
> The strong scholarly orientation of the Wilson Center allows practitioners in residence there to carry out much more fundamental, far reaching projects, encourages the questioning rather than the reiteration of standard assumptions, and discourages the sort of instant analysis characteristic of so many policy studies in Washington.

Question: How many fellowships do you anticipate won't fit the norm?

Answer: Thirty-one of the 38 Fellows in the 1990-91 class will be at the Center for the academic year. Most of the remaining seven will be here for the equivalent of an academic semester. Additionally, Guest Scholars, many of whom are practitioners and who are available for only a short time, are invited to the Center generally for periods of one to three months to accomplish specific research objectives using Washington-based resources, such as the National Archives, the Library of Congress, and personal interviews with officials.

Question: Last year the Committee set the maximum fellowship level at the rate of GS-14, Step 1 (roughly $50,000).

--How has the higher salary level for fellowships helped you to attract scholars?

Answer: We are not sure how much the higher salary level will help us attract scholars. Last year's recruitment materials were mailed well before the receipt of our appropriation and therefore did not mention any increase in stipend.

Question: What improvements have you seen in the number and quality of applications from U. S. scholars?

Answer: The number of applications from U. S. scholars for our most recent fellowship competition increased by approximately 100 compared with the two previous years, and by approximately 150 compared with the preceding five years. Quality is more difficult to determine objectively, but both the external fellowship selection panel, and the Fellowship Committee of the Center's Board judged that the overall quality of these applications also showed significant improvement.

ENDOWMENT CHALLENGE FUND

Question: In FY 1989, $300,000 was appropriated for an endowment challenge for the Center. These funds were to be matched , by $3 for every $1 of Federal money by the end of the fiscal year ($900,00 to be raised by September 30, 1990).

--How much have you raised to date for matching the most recent installment of the Endowment Challenge Fund?

Answer: To date, a sum of $442,000 in cash and in firm pledges has been raised for matching the most recent installment of the Endowment Challenge Fund.

Question: Do you see any problems with raising the required $900,000 by September 30? If so, what are the problems and what are you doing to address them?

Answer: The Center's efforts to raise the remaining $458,000 were dealt a blow when the chairman of our endowment committee resigned because of serious health problems. His resignation left the Center, at the campaign's mid-point, without the volunteer leadership we had counted on for broadening our base of donors. In spite of this setback, efforts to complete the match are underway. We have targeted a handful of major potential contributors and are also soliciting smaller contributions. We remain optimistic that the match will be

completed by September 30, although unrestricted endowments are the most difficult of all funds to raise. Nevertheless, counting both congressional challenges, (the $994,000 appropriated in FY 1986 and the $300,000 appropriated in FY 1989) the Center has raised $3,433,000 of the target of $3,882,000.

Question: How will the income from the endowment be used?

Answer: The income from the Endowment Challenge Fund, $220,000 per year, is being used currently to provide a subvention for the Wilson Quarterly and to fund administrative positions whose salaries are not recovered from the overhead assessed on grants and contracts.

Question: To what extent will endowment income offset the need for Federal funding of the Center's operations?

Answer: By funding Trust-funded administrative salaries in the amount of some $150,000 per year, income from the Endowment Challenge Fund is currently and will continue for the foreseeable future to offset the need for Federal funding of the Center's operations.

RESEARCH ASSISTANTS

Question: For FY 1991, you are requesting an increase of $30,000 for research assistants; $11,000 to raise their pay from $2.00 an hour to $2.50 an hour, and $19,000 to fully fund the program with appropriated money.

--How do you manage to attract research assistants at $2.00 an hour? How will an increase of 50 cents an hour help attract research assistants?

Answer: Essentially, they are attracted by the interest of the work. The proposed 50 cents increase is a matter more of equity than a strategy for attracting students. Nevertheless, the Center does wish to avoid a situation in which only financially independent students can afford to be research assistants.

USE OF APPROPRIATED FUNDS

Question: Each year the Center asks for more projects to be switched from non-appropriated to appropriated funding. Last year, the Committee reluctantly agreed to fund the space rental costs associated with the Wilson Quarterly using appropriated funds. This year, you propose shifting the entire research assistant program to Federal funding. (currently funded partially by non-appropriated funds)

Answer: An underlying assumption of this and subsequent questions is that there is available in the private sector an unlimited supply of unrestricted monies. The fact is that the two categories of funds that are the most difficult to raise are: 1) unrestricted monies for basic operating purposes; and 2) unrestricted endowment funds. The Center is engaged in full-scale efforts to attract unrestricted operating and endowment funds, but is finding that there are major limitations in locating these types of monies.

Apart from some $2,500,000 in grants, the Woodrow Wilson Center is able to raise approximately $100,000 annually for general operating support. These monies, combined with interest income on the Center's unrestricted endowment, are used entirely to support administrative staff, consisting of the Center's Director, a controller, a personnel assistant, a budget analyst, a special events coordinator, a staff assistant to the Deputy Director, and the development function, to pay Officer liability insurance costs, to provide a subvention to the Wilson Quarterly, and to cover all catering costs for conferences and meetings.

In comparison with the other legal entities that comprise the Smithsonian Institution, the Woodrow Wilson Center covers by far the largest share of its operating expenses with non-appropriated trust funds. Excluding the income and expenses of the Wilson Quarterly, the Woodrow Wilson Center's operating budget is approximately 63% federally-funded and 37 % trust-funded. By contrast, the Smithsonian Institution's operating budget is 79% federally-funded and 21 % trust- funded (trust funds consisting of the total amount of grants and contracts and the net income of business activities applied to operating programs of the institution). The National Gallery of Art is 85 % federally- funded and 15 % trust-funded. Including gross income from the Wilson Quarterly, the Center is able to raise almost exactly $1 in non-appropriated funds for each $1 appropriated.

Moreover, as pointed out in last year's hearings, the current director was faced with a critical financial situation dealing with the Center's trust-fund deficits when he assumed leadership of the Center in June, 1988. At that time, there were cumulative debts of some $800,000 resulting from overspending non-appropriated funds for Radio Dialogue, an incipient Africa Program, and overhead; the Wilson Quarterly was losing some $800,000 and was in danger of being terminated; and the endowment drive had stalled. Since then, in less than two years, belt-tightening measures have been instituted to assure that overspending does not take place; a plan has been instituted to eliminate the deficits; the incipient Africa Program has been eliminated due to lack of funding; the initial endowment match of $2,982,000 was met ahead of schedule, and the Wilson Quarterly has been placed on a firm financial basis as evidenced by the

fact that the $800,000 deficit of two years ago has been paid off and the projection for FY 1990 is close to break-even.

The fundraising success of the Woodrow Wilson Center seems to us to be especially noteworthy since the Center is comparatively new, lacks the visibility and glamor of the Smithsonian Institution and the National Gallery of Art, and perhaps most of all because, unlike the Smithsonian and the National Gallery of Art, it does not enjoy the many opportunities to produce revenue through shops, restaurants, mail order catalogues, and a revenue-generating magazine whose circulation is greatly aided by having 28 million visitors a year.

Question: What amount of non-appropriated funds were used in FY 1989 for research assistants? ($24,000 in Federal appropriations)

Answer: Approximately $19,000 of non-appropriated funds were used in FY 1989 for research assistants.

Question: What amount of non-appropriated monies are available for this purpose in FY 1990?

Answer: No funds actually are earmarked for this purpose in FY 1990. Each dollar used for research assistants by those programs that have raised unrestricted monies represents a lost opportunity to use that dollar either for conferences or for the salaries of trust-funded permanent research staff.

Question: How do you justify fully supporting this program with appropriated funds in FY 1991?

Answer: We consider the research assistant program to be an integral part of the Center's Fellowship program. Fellows unfailingly regard the availability of research assistants to be invaluable in their own research. The opportunity to work with a scholar also is a positive working experience for college students, a concern of the Subcommittee. The Center's programs have been helping to pay the cost of interns up until now with their discretionary grants, but these have both become more difficult to obtain in recent years, and more necessary to support program staff paid with non-appropriated trust monies.

Question: What types of activities do you support with non-appropriated funds?

Answer: Non-appropriated funds support the following:

1) all of the expenses of the Wilson Quarterly with the exception of its rent;
2) all of the expenses associated with the Center's Media Project (staff, Fellows, conferences, office supplies, and rent);
3) the salaries of 25 staff members, consisting of

administrative personnel and research and other program support personnel;

4) a major portion of conference support--in FY 1990 we expect to match $230,000 in federal monies with $320,000 in non-appropriated trust-funds;

5) some 44 percent, or $19,000, toward the support of research assistants for Fellows.

Question: Why is it less appropriate to support the research assistant program with non-Federal funds?

Answer: The question isn't really one of appropriateness alone. As noted above, discrete non-appropriated trust funds do not exist for the research assistant program. The research assistant program is an integral part of the Fellowship program at the Center. In addition, the programs, which have been and continue to be very successful in raising non-appropriated funding for specific conferences, are finding it more difficult to raise unrestricted monies. The major priority for such funds is to pay the salaries of research support staff who make possible the rich variety of programming that we have at the Center.

Question: Assuming the research assistant program were to continue to be funded in the same manner as it is now, how much of the requested $30,000 increase would be covered by non-appropriated funds and how much would be covered by appropriated funds?

Answer: The same $24,000 in appropriated funds and up to $19,000 in non-appropriated funds would be used, assuming that they were available in FY 1991. Non-appropriated monies are not available for any raise in the hourly rate.

RADIO DIALOGUE

Question: What is the status of the Radio Dialogue Program?

Answer: The Radio Dialogue program is in excellent shape. Since the program returned to the airwaves eighteen months ago, the number of stations carrying it has increased from 58 to 118, and various marketing efforts are underway to increase that number.

Question: How many programs are you doing each year?

Answer: Each year, Radio Dialogue is producing some 50 programs.

Question: What is the national and international demand for tapes of the program?

Answer: Presently, Radio Dialogue does not promote tapes of its shows, but nevertheless receives about 100 requests for

tapes a year. Tape promotion, together with a suggested bibliography related to each program, is expected to begin in FY 1991 when Radio Dialogue anticipates purchasing a multiple tape duplicating machine.

LIBRARY COSTS

Question: How do you justify increasing the budget for your library by 100%? (from $30,000 to $60,000)

--Given the fact that you have access to the Library of Congress, why is such a huge increase necessary?

Answer: We first point out that the Center's library budget consists of $120,000 for staff and $30,000 for acquisitions. Thus, the increase of $30,000 sought for FY 1991 represents 20 percent of the library's overall budget.

It has never been the intention of the Woodrow Wilson Center to duplicate the collection of the Library of Congress, the greatest single reference source that we have. The Center's library is designed to provide standard reference works and periodicals, none of which can be borrowed from the Library of Congress and all of which actually facilitate use of the Library of Congress by our scholars.

We do not consider an increase of $30,000 to be "huge." The fact is that the Wilson Center's library budget has only been increased by $4,000 since 1974, despite the fact that book prices have increased by more than 100 % since then, and the cost of journal subscriptions has risen by more than 400 %.

To cope with the tremendous inflation in the cost of serials subscriptions, the library has been compelled to cancel a number of subscriptions to journals, to other important reference works including indexes and abstracts, and to foreign newspapers of utility to Fellows. If the proposed increase is granted, the library would be able to restore subscriptions to reference items. In addition, the library would finally be able to fund the use of commercially available on-line data bases which be of tremendous assistance to Fellows, and which also would facilitate use of the Library of Congress.

Question: Couldn't your library purchases be made with non-appropriated funds?

Answer: Non-appropriated funds are not available for such purchases.

PUBLICATIONS

Question: What is the current demand for Wilson Center publications?

Answer: The books published by the Woodrow Wilson Center fill a specific need by creating a tangible and permanent record of the important conferences that are organized and held by the Center's programs. Each book is based on a scholarly conference; the chapters of each book are revised versions of the papers and lectures that were delivered at a particular conference. Without these books, the international community would have no means of gaining direct access to the scholarship that forms the core of the Woodrow Wilson Center's programs, and the scholarship that results from them would not be preserved for posterity. The books represent one of the Woodrow Wilson Center's most important direct lines of communication with the world that exists beyond our own walls.

The demand for the Woodrow Wilson Center's books is diverse and significant. The first two titles in the Woodrow Wilson Center Series published by Cambridge University Press (CUP) have proven to be enormously successful. One of these books--The Truman Presidency-- has already gone through a second printing and CUP has decided to issue it in a paperback edition in January 1991. The other title--Religion and Twentieth-Century American Life-- will also be issued as a paperback in early 1991. Cambridge is delighted with the response to these publications and has informed us that it believes the popularity of the books is because the Woodrow Wilson Center's name is seen as a mark of scholarly credibility. Both books have also received important scholarly reviews, including a review of Religion in The Times (London) Literary Supplement.

Books published under The Wilson Center Press imprint have also been widely disseminated. A study of the news media entitled American Media: A Wilson Quarterly Reader has been adopted for classroom use by a large number of journalism professors around the country and has received several favorable reviews. The Department of Defense has placed a bulk order for several hundred copies of Problems of Balkan Security, and the Center has received requests for the book from members of Congress, the State Department, and other policy-makers in Washington; orders have also been received for classroom use in university and college courses. One of the Center's most recent titles, Government and Environmental Politics, has also stimulated considerable interest among policy specialists, academics, and professionals in several fields relating to environmental and ecology studies.

As the experience of nearly every university press shows, scholarly publishing is still a losing enterprise financially. However, the Center believes that it is important to continue to

publish the results of important scholarship and to disseminate them to the scholarly community and to the interested general public.

Question: You propose to increase your publications budget by more than 40%, from $216,000 to $304,000. Why is this $88,000 increase necessary?

Answer: The increase is necessary because of the success of the Center's book publishing program, initiated in FY 1987 with congressional assistance to fulfill the Center's obligation to disseminate as broadly as possible the results of research being carried out at the Center. The basic thrust of the publishing program is to reach students, scholars, policymakers, statesmen, journalists, professionals, and interested citizens with the uniquely valuable work of the Center.

Many of the books published under the imprint of the Wilson Center Press stem from conferences held at the Center. These meetings are very valuable in their own right, but they are by definition addressed to a limited audience and only create a permanent record if a publication ensues. For example, the Center recently held a conference that examined "Knowledge and Belief in America: Enlightenment Traditions and Modern Religious Thought." Ranging from the Puritans to the secularists of the 20th century, the conference brought together an extremely impressive group of historians, philosophers, literary scholars, and social scientists.

Of the quality of the conference, John Smith, the Clark professor of philosophy at Yale University and the senior member of the department, wrote to say: "it was without question the best such meeting that I have ever attended...I learned a great deal and I came away with the sense that something important had happened." We are most gratified to receive such a comment from a distinguished philosopher, but unless the papers and commentary that were generated at that conference are published in book form, they will not become a part of the permanent record. Our publications program is designed to publish books such as the one that will follow from the "Knowledge and Belief in America " conference.

Of the amount of $216,000 currently in the publishing program's base, all but $11,000 is accounted for by staff, and the costs of publishing the new Woodrow Wilson Center Report and the Center's Annual Report. The available $11,000 is being used in the current year for fellowship recruitment materials and for miscellaneous expenses. An additional sum of $88,000 is requested in the FY 1991 budget to provide a base of $99,000 for the following purposes: (1) the cost of contractual editing ($65,000); (2) the Scholars' Guide series ($18,000); and other essential expenses, namely, fellowship application and publicity materials, honoraria of external scholarly reviews, and

miscellaneous editorial and design costs ($16,000).

The major portion of the request, $65,000, is for contractual editing of manuscripts. The Center's book publishing efforts are made through: (1) the Woodrow Wilson Center Press. the Center's independent book publishing operation, financed in cooperation with the University Press of America; and (2) an agreement with Cambridge University Press, under which Cambridge publishes up to six Center conference volumes annually on a cost sharing basis. For the six Cambridge titles planned for FY 1991, the Center will expend $6,000 per title (for a total of $36,000) for editing, word processing, proofreading, and indexing. For six titles planned with the University Press of America, the Center will spend an average of $4,833 per title in similar editorial costs (for a total of $29,000). This component of the Center's proposed increase for FY 1991 is necessary to enable the Center's book publications to proceed on a regular schedule by establishing a firm base that can be counted on for the publication of 12 books per year.

To reduce the backlog of 25 manuscripts which the new director of publishing found when he assumed his position at the Center last summer, it was necessary to use a portion of the federal conference monies for editorial and related costs. It has been our practice, when possible, to build funding for publications into our grant proposals, but donors do not always allow this item. We have been compelled to use the federal conference monies in the same way to produce significant books, but this also had the unfortunate result of diminishing the limited amount of federal monies that were available for conferences.

The requirements of the publication program also include a sum of $6,000 for Fellowship application and publicity materials, which will be used to increase the number of application forms printed (applications for fellowships increased by more than 65 % from 403 in FY 1989 to 676 in FY 1990), to reach a wider audience of potential Fellows, and to redesign the printed materials to make the application procedure easier to process and manage. Another $5,000 is necessary for honoraria for external scholarly reviews of prospective manuscripts, a necessary part of quality control.

The remainder of the publishing program's needs--$18,000 for the Scholars' Guide series and $5,000 for the design costs of maps and illustrations--are addressed in the subsequent questions.

Question: How have you managed to produce your publications in the past, without this increase?

Answer: In FY 1989, the Center issued only four titles. In FY 1990, however, the Center has 14 titles scheduled for publication (5 of which have been published so far). These

titles scheduled for publication represent an attempt to reduce a backlog of 25 manuscripts accepted for publication during the period 1987-1989. (A staff committee has been established to look at all of these with the objective of weeding out those deemed unworthy of publication.) To produce these publications during FY 1990, the Center has relied on $11,000 available for editorial purposes in appropriated funds and has been required out of necessity to augment this amount with a portion of the federal conference fund appropriation, thus reducing the availability of such funds. During FY 1991, however, federal conference funds have already been committed to programs and will not be available to offset editorial costs for publications. (For FY 1990, the programs submitted requests totalling $288,000 for conferences. These had to be cut back to meet available monies of $250,000 before sequestration which removed $18,000 from the conference line). Therefore, the requested increase is necessary to enable the Center to pay for editorial costs relating to the 12 titles that have been scheduled for FY 1991.

SCHOLARS' GUIDE

Question: Part of the increase (18,000) is for publishing a Scholars' Guide Series which was formerly the responsibility of the Smithsonian Institution. Why did you take over this responsibility from the Smithsonian? Can you give it back?

Answer: After issuing the first 12 volumes of the Scholars' Guide series during the years 1979-1988, SI Press informed the Center in November 1988 that it no longer deemed it cost-effective to continue with its publication. Since the Center had by this time established its own press, the Center wishes to reach an agreement with the SI Press whereby the Woodrow Wilson Center would henceforth publish future volumes of the series under the Wilson Center Press imprint. It is our impression that the Smithsonian would agree to take back publishing responsibility for the series only if it received an appropriation to cover its costs.

The Scholars' Guide series is an extremely valuable reference guide to researchers. The Guides identify, describe, and evaluate resources in the D. C. area that are pertinent to the in-depth study of various regions of the world and other scholarly topics. Based on the excellent critical reaction to the series, we believe that its continued publication represents an important service.

Question: Another part of the increase ($5,000) is for maps, line illustrations, and photo duplication. How did you arrive at this estimate?

Answer: The estimate is based on actual costs for maps produced for a book, Reshaping Russian Architecture, to be

published in the summer of 1990 as part of the Woodrow Wilson Center Series by Cambridge University Press. Two maps of Moscow for the book cost $500. Because the Center publishes books that deal specifically with area studies from around the world, and often with strategic and policy studies that relate to particular geographical sections, the Center requires additional funds to cover the cost of maps in several of its forthcoming publications. The Center is also planning several publications that will require illustrations, including line art and half-tone photographs, that entail paying libraries, museums, private collections, and other institutional sources, duplication and reproduction fees for the uses of those illustrations. A case in point is a forthcoming book entitled The future of News which will need to obtain several photographs from news media sources. Fees for illustrations range from as little as $10 to as much as $200. The Center has projected that the amount of $5,000 annually will suffice for maps and illustrations.

Question: What do you do now for these types of services?

Answer: In the past, the Center has kept use of maps and illustrations to the barest minimum. Although two maps were prepared for the book on Russian architecture, no maps or illustrations have been included in recent books on the neutral nations of Europe, Balkan security, Portugal, or government and environmental politics--despite the fact that each of these titles would have been considerable enhanced by these inclusion of maps or half-tone illustrations. In one of these books, Problems of Balkan Security, maps were obtained at no cost from the Department of Defense, but the maps proved to be of poor quality and at least one of which is practically unreadable. The quality of the Center's publications demand that high-quality maps and illustrations be used that fit the precise needs of its various scholarly books. To make the Center's books more useful to scholars and students, this request has been made for illustrative materials that will be included in several books scheduled for FY 1991.

Question: Isn't this proposed publication expansion program basically an outreach effort?

Answer: The answer to this question depends upon what is meant by the term "outreach." If it means to extend the results of the scholarship being accomplished at the Center beyond its walls and, indeed, beyond Washington, D. C., then the publication expansion program certainly is part of our outreach efforts, which also include Radio Dialogue, the Wilson Quarterly, and conferences. Outreach is essential to fulfilling the mandate of the Woodrow Wilson Center, no less than anything else we do. The Center is very appreciative of the crucial federal support that has been received since FY 1986 for outreach activities, and with the encouragement of this subcommittee in furthering our outreach efforts.

Question: To what extent could non-appropriated funds be made available for this outreach program?

Answer: As noted above, the Center uses non-appropriated funds to the maximum extent possible. Of these outreach efforts, the "Wilson Quarterly" is exclusively funded with non-appropriated monies with the exception of rent, and federal conference monies are matched more than 50 percent with non-appropriated funds. The nature of the publishing agreement that we have with Cambridge University Press and with University Press of America assures that the major portion of the cost of publishing each volume is borne by the outside publisher. To raise additional monies for the publication of individual volumes would be very difficult.

We can <u>try</u> to include funds for publications in outside requests for conferences. If this proves successful, we will inform the Subcommittee and reduce our request.

WEDNESDAY, MAY 9, 1990.

THE COMMISSION OF FINE ARTS

WITNESSES

J. CARTER BROWN, CHAIRMAN

CHARLES H. ATHERTON, SECRETARY

DONALD B. MYER, ASSISTANT SECRETARY

DEBRA BLOOM, BUDGET ANALYST, OFFICE OF THE SECRETARY, DEPARTMENT OF THE INTERIOR

Mr. YATES. Carter, come on up. We're glad to see you and the Commission of Fine Arts. This is the appropriation for the Commission on Fine Arts.

Here in support of this appropriation is the very distinguished chairman, Mr. J. Carter Brown. He is accompanied by Mr. Atherton, the secretary; Mr. Myer, the assistant secretary; and Ms. Bloom.

Mr. Brown's statement may go into the record at this point.

[The prepared statement of Mr. Brown follows:]

STATEMENT OF J. CARTER BROWN, CHAIRMAN, THE COMMISSION OF FINE ARTS, BEFORE THE HOUSE SUBCOMMITTEE ON APPROPRIATIONS FOR THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES, MAY 9, 1990.

Mr. Chairman:

The Commission of Fine Arts is requesting an appropriation of $549,000 which represents an increase of $40,000 over the adjusted appropriation for the current year. The bulk of this increase, some $33,000 will go toward staff salaries, although as I understand it, it does not cover the SES increase authorized by Congress last year. I might also add that the Commission has just undergone a forced move to new offices in the National Building Museum, and there are a number of increased costs, such as the annual GSA rental, for which I have not yet received definite figures.

As we usually do this time of year, I would like to go over briefly some of the highlights of the Commission's activities since we last met.

It has been a time of cleaning up some old business - watching over the completion of projects such as Union Station and Pennsylvania Avenue - but it has also been marked by some extraordinary new beginnings.

ICTC COMPLEX

By far the largest government building to be undertaken in Washington since the Federal Triangle itself was constructed back in the 1930's, this project will at last complete the Triangle, and then some. Constructed on what was to have been a park but has for the last fifty years been one of the largest parking lots in the city and an eyesore of major proportions, the new complex when finished will add some three million square feet of construction and some ten thousand employees to this important federal center. What is exciting, however, is that it will not all be offices, but will contain a considerable amount of space for the International Cultural and Trade Center and the Woodrow Wilson Center for Scholars, both of which will bring new vitality to the city. In addition, there will be theaters and exhibition spaces that will draw in the public beyond the normal working day and bring new life to the downtown and Pennsylvania Avenue.

The Commission recently looked at the design for this enormous complex, and I must say, we were very excited. Not only will the existing architecture of the Triangle be complemented and preserved by the new construction, but in the Commission's opinion, the design will have a freshness and integrity that is very much its own and will be a most fitting expression for its time. Designed by Pei, Cobb, and Freed, architects, it was the clear-cut choice of the PADC Board members when the competition was judged, and the Commission has since enthusiastically concurred in their choice. It is clearly a design of the highest quality. It not only exhibits a fine architectural sense, but it holds out real promise that this will be a federal project that can serve to integrate all the arts - sculpture, painting, landscape and design arts - into the fabric of the buildings, a feature that will be a most appropriate continuation of a hallmark of the Federal Triangle.

FEDERAL LIGHTING PROJECTS

While on the subject of the Triangle, I should point out the progress that is being made on its lighting. The south side of Pennsylvania Avenue, that is, the northern side of the Triangle, has just been completed and our attention is now turning to the remaining facades on the side streets and Constitution Avenue. I am happy to report that the Justice Department is going ahead with a scheme approved by the Commission, and it is our hope other agencies such as Archives and Commerce will follow suit in the near future.

PAVILION AT THE OLD POST OFFICE

The Commission approved final designs for another project that will enhance the Triangle, the expansion of the Pavilion at the Old Post Office Building. Not only will this nearly double the size of the existing facilities, which will expand into a handsome new glass structure, it will do so in a way that should improve the appearance of the area immediately east of the Post Office, which includes the old 11th Street right-of-way, and a very dull and dreary courtyard that provides parking for the IRS. In addition, the unfinished stump-ends of the IRS Building, which have been exposed in this state for more than forty years, should at last be completed in a suitable manner.

MARKET SQUARE AND THE NAVY MEMORIAL

The decision to introduce the classical architecture of the Triangle to the north side of Pennsylvania Avenue seems more and more right as the construction begins to develop and unfold. For the first time, we will have a Market Square that has a real sense of unity, something that has eluded us in planning for this space over a period of many years. The grand scale of the colonnade and the vista to the Portrait Gallery beyond will also provide a wonderfully dramatic setting for the Navy Memorial. It too continues to develop, with the Commission working closely with the Memorial Foundation in evolving a number of historical bas-reliefs that will eventually be twenty-two in number and will illustrate various aspects of naval history and service.

UNION STATION DEVELOPMENT

The success of Union Station continues to surprise everyone with the degree it seems to outstrip the rosiest of projections. What is even more surprising is the attention it has generated in private-sector real estate development in the surrounding area. We have already approved plans for two major developments on the west side of the station with still more to come. And on the east side, in addition to George White's Judiciary Building, an enormous complex was just presented to us at our last meeting that would extend all the way from the rear of the Judiciary Building to H Street on the north. There is also talk, as you probably have heard, that serious consideration is being given to developing new headquarters space for the Department of Transportation over the entire railroad track areas behind the old station. Whether this be in public hands or private, the Commission will be involved, and it looks like another very large project will be coming to us for review.

CONGRESSIONALLY AUTHORIZED MEMORIALS

Our other main thrust of activity has been to review the site selection and design for a very considerable number of memorials.

Ground has been broken and construction is finally underway for the Holocaust Memorial, and work is close to beginning on two others - the Kahlil Gibran Memorial, up on Massachusetts Avenue across from the British Embassy, and the Law Enforcement Officers Memorial located just outside our offices in Judiciary Square. The Commission spent a great deal of time reviewing these two designs, and we are confident they are going to add materially to

the historic interest such memorials generate. The Black Revolutionary War Patriots Memorial will be located in Constitution Gardens just across the lake from the Signers of the Declaration of Independence Memorial. A short distance farther west, on the south side of the reflecting pool near the Lincoln Memorial, a major memorial to the veterans of the Korean War will be built. The Commission has approved its site and preliminary design concepts and is very impressed with the selection, which was chosen from submissions in a nationwide competition. Competitions were also utilized to select designs for the Peace Garden, which is to be located at Hains Point, and the Women in Military Service Memorial, at the main gates to Arlington Cemetery. Neither of these designs has yet been presented to the Commission, but we will be looking at them very carefully, especially the latter, because of the extreme sensitivity of the site and the need to preserve the prominence of the cemetery entrance and the Lee Mansion and Kennedy graves beyond.

THE VIETNAM WOMEN'S MEMORIAL

At the Commission's April meeting, we reviewed a number of possible sites for the addition of a suitable commemorative of women's service at the existing Vietnam Veterans Memorial. It is difficult to make any kind of definitive evaluation of a site, of course, without knowing generally what form the memorial will take, but we have at least tentatively approved three sites for consideration. Of these the Commission favors a location southeast of the grove of trees that forms the large open space stretching between the two granite walls. It is on the south side of the path that connects the entrance near the Lincoln Memorial with the lake in Constitution Gardens. A memorial in this location would have minimum impact on the existing memorial. Also approved for consideration was an area on the other side of this same path, within the grove of trees itself, and another site adjoining the name directories next to the entrance plaza that contains the flagpole and the statue of the three soldiers.

THE FRANKLIN DELANO ROOSEVELT MEMORIAL

At the behest of Congress, the Commission was instructed to review the design of this memorial prior to funds being obligated for the beginning of construction. This design was originally approved by the Commission on 20 September 1979, and was also specified in the 1982 legislation authorizing the memorial. As part of the deliberations of the Commission the actual configuration of the memorial was staked out on the site. Following an inspection of the site, we met with Larry Halprin, the landscape architect who prepared the design. A number of

concerns were expressed by members of the Commission, including its very large size, the considerable open space and lack of trees, and the quantity of paving. Mr. Halprin said he felt the design was still valid but agreed it would be useful to take another look at it since so many years had elapsed since it was originally conceived. We look forward to his report which we should receive sometime later this summer.

OTHER FEDERAL PROJECTS

This category includes a wide-ranging field of activity - everything from repairs and alterations of major government buildings to the development of new child care facilities at various government offices.

This latter subject in particular has consumed a lot of Commission time. Major facilities, that is, new buildings with complete accommodations for extensive care of infants and pre-K children, are planned or already under construction for the Pentagon, and the Department of Energy headquarters in south-west Washington. Lesser facilities are underway in the form of outdoor play areas for locations as diverse as the General Accounting Office, the Federal Trade Commission, the Museum of American History, and Fort Myer. We have also approved plans for a major new federal employment center near the old Navy Yard in south-east Washington, a new chancery for the government of Austria at the International Center, and a handsome new sculpture exhibition area on the plaza around the outside of the Hirshhorn Gallery. New landscaping has also been approved for the Forrestal Building, which we hope will improve its appearance along Independence Avenue and especially as seen from the Smithsonian Castle across the street. A new landscape plan and master development scheme was also approved for the National Arboretum. New sidewalk designs and a much improved security system for the placement of bollards around the White House has also been approved, and we look forward to their implementation so we can get rid of the remaining "Jersey" barriers around the south lawn and Ellipse. Finally, we spent some time reviewing a flood protection system for areas around the Mall, and various improvements to a number of bridges.

COINS AND MEDALS

The Commission approved designs for a congressionally authorized medal for Mary Lasker, as well as service medals for the Department of Defense and The Public Health Service. Commemorative coin designs were approved honoring the Bicentennial of the Congress and Dwight Eisenhower, both of which

have been minted and are selling well. The Commission also testified in support of legislation that would afford the opportunity to develop new designs for some of our circulating coinage.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS PROGRAM

Our jury for the FY '90 program met on 11 April and authorized the distribution of $5,427,000 to 16 Washington organizations. We expect the checks will be in the mail very soon. A list of the awards for both last year's program and the FY '90 awards is attached for your information.

GEORGETOWN AND SHIPSTEAD-LUCE SUBMISSIONS

As we reported last year at this time, the Commission has continued to be concerned about its relation to the District of Columbia Government in administering its design review responsibilities in the private sector. The local government has on a number of occasions overturned or ignored commission recommendations, and in one instance allowed a large scale residential development to proceed without any referral to the Commission as required by federal law. We simply could not accept this, and with the help of the good offices of the Department of Justice, brought suit against both the District of Columbia government and the developer. It was a great drain on the resources of our small staff, but I think it was a very necessary thing to do and will prove worth all the trouble it caused us. The developer was brought to heel, but more importantly, I believe the District government got the message that we have no intention of standing by while federal laws are being ignored or sloppily administered.

That concludes my formal statement, Mr. Chairman. I would now be happy to answer any questions the Committee might have, or to expand on this report.

THE COMMISSION OF FINE ARTS

ESTABLISHED • BY • CONGRESS • MAY • 17, 1910

708 JACKSON PLACE, N.W.
WASHINGTON, D.C. 20006

202-566-1066

National Capital Arts and Cultural Affairs Program

1989 Recipients and Awards

Total: 5,000,000
Breakdown as follows:

Recipient	Award
Capital Children's Museum/ National Learning Center	257,469
Corcoran Gallery of Art	377,902
Folger Shakespeare Library	274,863
Ford's Theatre	285,995
Meridian House International	256,739
National Building Museum	240,564
National Museum of Women in the Arts	291,933
National Symphony Orchestra	449,683
Phillips Collection	322,694
Shakespeare Theatre at the Folger	264,950
Textile Museum	235,964
Washington Ballet	253,800
Washington Drama Society/ TA Arena Stage	349,338
Washington Opera	336,579
Washington Performing Arts Society	301,527
	$4,500,000
JFK Center for the Performing Arts	500,000
	$5,000,000

THE COMMISSION OF FINE ARTS

ESTABLISHED • BY • CONGRESS • MAY • 17, 1910
Pension Building
401 F Street, N.W., Suite 312
Washington, D.C. 20001
202-504-2200
202-504-2195 Fax

National Capital Arts and Cultural Affairs Program

1990 Recipients and Awards

Total: $ 5,427,000
Breakdown as follows:

Recipient	Award
Capital Children's Museum/ National Learning Center	273,700
Corcoran Gallery of Art	414,554
Folger Shakespeare Library	301,939
Ford's Theatre	310,987
Meridian House International	280,007
National Building Museum	261,149
National Museum of Women in the Arts	312,520
National Symphony Orchestra	487,866
Phillips Collection	333,756
Shakespeare Theatre at the Folger	291,109
Textile Museum	276,968
Washington Ballet	276,645
Washington Drama Society/ TA Arena Stage	396,942
Washington Opera	366,029
Washington Performing Arts Society	342,829
JFK Center for the Performing Arts	500,000
	$5,427,000

Mr. YATES. You want $549,000, which is an addition of $40,000 more. The reasons for that are made plain in your statement. Now is this budget adequate for your purposes?

Mr. BROWN. Unfortunately, since that budget was prepared, the administration has moved the Commission's offices. We are now in the National Building Museum, and the rent charged by GSA is going to be almost $50,000 more than we were paying in the other place. So that, combined with the directive from OMB that we absorb the mandatory pay raises, is going to——

Mr. YATES. How much of a difference will that take out of you?

Mr. BROWN. That is another $20,000 or $30,000.

Mr. YATES. That is a lot for a small agency, isn't it?

Mr. BROWN. It is, unfortunately, because I was discussing——

Mr. YATES. What will happen if the committee doesn't help you?

Mr. BROWN. The Secretary is simply going to have to take a pay cut. He is going to have to forego the salary that he is due under law.

Mr. YATES. Yesterday we were told by the Bureau of Indian Affairs that as a result of a shortfall in one of their accounts they had to furlough their employees for one day a week. I think that was for five or six weeks. Are you going to do that to Mr. Atherton?

Mr. ATHERTON. Well, it's a thought. [Laughter.]

Mr. YATES. Why is he laughing?

Mr. BROWN. He is warming to the idea. Unfortunately, if we are to do the work of the Commission with our monthly meetings, we can't simply do without the staff that we have here. I think the two together would be around $80,000. We don't have the exact amount.

Mr. YATES. Will that be adequate for your budget? Do you think it will be?

Mr. BROWN. Yes.

Mr. YATES. Let's turn to the Roosevelt Memorial. You have held up work on the Roosevelt Memorial. How long do you propose to do that?

Mr. BROWN. We are waiting for a submission which they say will not——

Mr. YATES. Is this Mr. Halprin's submission?

Mr. BROWN. That's right. They will bring that to us, they thought, the meeting after this coming one. It will be in another five weeks or so if they keep to their schedule.

Mr. YATES. The question that we have is whether to proceed with appropriating the money for that memorial—I think it is $3 million—or whether to hold it up until you decide what you want to do.

Mr. BROWN. We are very much for a Roosevelt memorial, so I would very much hope that the appropriations could be——

Mr. YATES. How did the Commission happen to come to that conclusion that it ought to be held up? Was the question because of the size of it?

Mr. BROWN. That's right. There is virtually a new Commission since the one that approved it in 1979.

Mr. YATES. I know.

Mr. BROWN. We maybe even have a new architect. I think that Mr. Halprin, when asked directly whether he would design it exactly the same way today as he did in the early-to-mid 1970s, answered very frankly and honestly that perhaps not, that he would like a chance to take another look himself. This was the will of the Congress in the markup session when it was put into the Congressional record that we were to take another look, so we have been asked to do this. They came before us, and we were able to go out onto the site and look at it staked out.

There is some question as to whether the staking was exactly accurate, and so that already may have given members of the Commission a sense that it was even larger than it was. It is an opportunity for a reconsideration, but my hope would be only in certain aspects that the idea of having a memorial there, I think, appealed to virtually all of the members of the Commission. I know that to keep the momentum going there are costs that need to be incurred in terms of preparation of the site where this landfill is, and in the working out of the design which costs money.

Mr. YATES. The design obviously—landfill question—doesn't that depend on the new design? If the money goes for a landfill, should we appropriate the money for it before we know that——

Mr. BROWN. I would leave that up to the Commission. That is their purview. I just would hope that it is not laid at the Commission's door that somehow this be derailed. I think everybody is trying to get to the same destination. It is just a question of how.

Mr. YATES. Well, then, as far as time is concerned, it is up to Mr. Halprin right now.

Mr. BROWN. Exactly.

Mr. YATES. So if you were on the Roosevelt Memorial, you would be pushing Mr. Halprin?

Mr. BROWN. I would. I notice that some of the members of the Commission reading the testimony last year had some of the same questions that we did, so that we're not alone.

Mr. YATES. All right. Thank you.

Is that your task? Or is that the Roosevelt Memorial——

Mr. BROWN. I think it is the Roosevelt Memorial's, Mr. Chairman.

Mr. YATES. Aren't memorial builders now moving to granite rather than marble because it is more impervious to pollution? Didn't I read that somewhere? Mr. Atherton nods his head yes. Mr. Brown looks at——

Mr. ATHERTON. I think there is a feeling that granite is a more permanent material, especially with the kind of atmosphere that exists in a lot of cities.

Mr. YATES. That's right. And which is bound to grow before it stops. Have you replied to Mr. Darden?

Mr. ATHERTON. I have not seen the letter.

Mr. BROWN. I haven't seen the letter yet either.

Mr. YATES. That is what Mr. Darden sent us.

Mr. ATHERTON. It hasn't arrived.

Mr. BROWN. This is our problem with our new address.

Mr. YATES. What is the date of that letter?

Mr. ATHERTON. March 30, but the thing is that——

Mr. YATES. You mean it is still in transit?

Mr. BROWN. The post office refuses to deliver our mail. We have to go down and pick it up.

Mr. YATES. Really?

Mr. BROWN. Yes.

Mr. ATHERTON. We have to send our own messenger to the post office, believe it or not.

Mr. YATES. I have the same problem in Chicago with my—— [Laughter.]

Mr. BROWN. It's tough all over, Mr. Chairman.

Mr. YATES. This is a result of your emergency move? Are you now relocated?

Mr. BROWN. We are. We would invite you to come visit us. We are in a great——

Mr. YATES. Thank you.

[Questions and answers for the record follow:]

Commission of Fine Arts
Additional Committee Questions

NCACA - Grant Program

Question: You requested $6 million of OMB for the National Capital Arts and Cultural Affairs Program. What was OMB's rationale for zeroing out the program?

Answer: It duplicates a grants program already in place through the National Endowment for the Arts.

Question: Is the OMB argument any different than last year or the year before? If so, how is it different?

Answer: It is the same argument.

Question: OMB also eliminated funding for administration of NCACA grants. How much would you need for program administration if NCACA grant funding were restored by Congress?

Answer: The estimated cost is $13,000.

International Cultural and Trade Center

Question: On page 2 of your prepared statement you say that the Commission enthusiastically concurs in the design chosen for the ICTC. There has been some controversy surrounding this choice. On March 1 the Saratoga Development Corporation (one of the applicants that was not selected as the developer of the ICTC) filed a lawsuit against PADC for nonselection, alleging irregularities in the process used to select the developer for this project. Are you familiar with the process used by the Pennsylvania Avenue Development Corporation in selecting the design for the ICTC? Can you comment, from your perspective, on the process as it was applied by PADC?

Answer: The Chairman serves ex officio as a non-voting member of the board. The Secretary of the Commission represented the Chairman, but without instructions from him, during this particular meeting and participated in the discussion of the design, one of the factors considered in making the final selection. The selection process has been in place for many years and has never before been questioned. It is both fair and thorough in its examination and evaluation of all aspects of each proposal.

FDR Memorial

Question: On April 19, the Commission reviewed the design of the FDR Memorial. What were your specific recommendations?

Answer: The Commission recommended reconsideration of the size, the amount of open space, the extent of paved areas, and the restricted views of the river, all of which are serious concerns.

Vietnam Women's Memorial

Question: Also at your April 19 meeting, you reviewed the proposed siting of the Vietnam Women's Memorial. What did this review consist of?

Answer: The Commission examined a number of possible sites in the area of the existing Vietnam Veterans Memorial, and eliminated all but three. Clearly favored was a site south of the path connecting the entrance plaza where the flag and the statue of the three soldiers are and the lake that lies to the east in Constitution Gardens. A site just north of this path, in the grove of trees, and one next to the entrance plaza, were also thought to be possibilities.

Question: What are the next steps to be taken with respect to constructing this memorial?

Answer: The memorial sponsors and the National Park Service will return to the Commission as part of the approval process after a design has been selected. Review of contract documents, material samples, landscape plans, and sculptural maquettes will follow.

Question: When do you expect the design proposal to come before the Commission for review? What types of structures are currently being considered?

Answer: The sponsors of the memorial next plan to hold an open competition for the design. After a selection has been made, the Commission will review the design. The Commission has not yet seen the program for the competition, but any architectural "structures" involving walls or roofs would certainly be discouraged from the outset.

Shipstead-Luce Act

Question: For what residential development project did you bring suit against the D.C. government?

Answer: The Woodland Partnership was issued a permit by D.C. to construct seven closely-spaced houses on a steeply-sloped lot bordering Rock Creek Park next to Woodland and Rock Creek Drives.

Question: What were the circumstances surrounding the suit and how was it resolved?

Answer: The permit was issued without referral to the Commission as stipulated by federal statute and the District government refused to rescind the permits and stop work when requested to do so by the Commission. As a result of the Commission's subsequent legal action, work was stopped, and eventually the matter was settled before going to trial. The principal terms of the settlement included the elimination of one of the seven houses, and the creation of additional open landscaped space to make the development more compatible with the character of the park. The remaining area on the site, currently subdivided as four separate lots, will be restricted to no more than three houses and subject to CFA design review.

Emergency Move

The Commission recently underwent an "emergency move".

Question: What was the emergency?

Answer: There was no "emergency" as such.

Question: Did you have any choice in the matter?

Answer: The Commission was instructed to move on very short notice from the office it had occupied at 708 Jackson Place for the last twenty years to make way for a newly-created Advisory Council on Drug Policy. The Commission appealed the order but was unsuccessful.

Question: Where are you now located?

Answer: The Commission is settled in a suite of offices on the third floor of the newly-restored historic Pension Building, home of the National Building Museum.

Question: How do you like your new location?

Answer: The space functions well for Commission operations.

Question: Who paid for the move?

Answer: The General Services Administration paid for the actual move. A donation of office partitions of substantial value was made by a private office furniture corporation to the National Building Museum which, in turn, has lent it to the Commission for its use.

Child Care Centers

Question: What is the Commission's role with respect to reviewing the plans for child care centers at Federal agencies?

Answer: The Commission reviews the design of all external features of federal child care facilities in Washington and how they affect the appearance of the site and nearby buildings.

Question: What do you look for in these reviews?

Answer: Visual effect of installations on existing buildings, landscape, and/or the monumental core.

Question: Have your reviews resulted in many recommendations for changes to design plans for these child care centers? What have those recommendations involved?

Answer: Major changes in the designs of all the facilities have been brought about at the behest of the Commission which seeks to minimize their visual impact through lowering the height of play equipment, ensuring the equipment is made of materials with a neutral "background" color, and the screening of fencing and play areas with suitable landscaping.

Most day care centers are being established and located on an ad hoc basis by individual government agencies. There is virtually no federal planning or coordination of this program as a whole.

SES Pay Raise

Question: In your prepared statement you say that your budget does not provide funds to cover the Senior Executive Service pay raise. How much do you need for the SES pay raise in FY 1991?

Answer: The Administration has instructed the Commission to absorb the cost which is estimated to be $19,000.

WEDNESDAY, MAY 9, 1990.

FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

WITNESSES

BILL GREEN, SECRETARY, FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

WILLIAM VANDEN HEUVAL, PRESIDENT, THE FRANKLIN AND ELEANOR ROOSEVELT INSTITUTE

FRANCES HUMPHREY HOWARD

Mr. YATES. The hearing will come to order.

This is the hearing on the appropriation for the Franklin Delano Roosevelt Memorial. Appearing in support of that appropriation is our very distinguished friend and Member of the House, Bill Green, Secretary, Franklin D. Roosevelt Memorial Commission. He is a representative from the 15th district of New York.

He is accompanied by Mr. vanden Heuval, Ms. Howard, and Frances Campbell of the Roosevelt Memorial Commission.

Ms. CAMPBELL. I'm sorry, Mr. Chairman. Mr. Roosevelt was not able to get here this morning but we would like to submit his statement for the record.

Mr. YATES. Okay. All right.

Mr. Green, your statement may go into the record at this point, to be followed by the statement of Mr. vanden Heuval, and the statement of Ms. Howard.

[The prepared statements of Mr. Green, Mr. vanden Heuval, Mr. Roosevelt, and Ms. Howard follow:]

STATEMENT OF CONGRESSMAN BILL GREEN
BEFORE THE INTERIOR SUBCOMMITTEE OF THE
HOUSE APPROPRIATIONS COMMITTEE HEARING
ON FUNDING FOR THE CONSTRUCTION OF THE MEMORIAL TO
PRESIDENT FRANKLIN DELANO ROOSEVELT
MAY 9, 1990

Mr. Chairman, members of the Subcommittee:

I am Representative Bill Green, Secretary of the Franklin Delano Roosevelt Commission. I am pleased to be here today to support the construction of the Roosevelt Memorial. The Co-Chairs of the Commission, Senator Daniel K. Inouye and Senator Mark O. Hatfield, asked me to express their regret that they could not be present at this hearing.

In 1946 it was proposed in Congress that a memorial to President Roosevelt be constructed. But it was not until 1955 that Congress enacted legislation to establish a memorial commission for that purpose. The Commission spent many years in developing a plan for the Memorial which would be approved by the Department of the Interior, the Commission of Fine Arts, the National Capital Planning Commission and the Congress. The designs produced by the first two architects hired by the Memorial Commission were not approved. Finally, in 1979, Lawrence Halprin's magnificent design for the Memorial was approved by all those whose approval is required outside Congress and was approved by Congress in 1982. The President approved S.J. Res. 95 on July 28, 1982 authorizing the Memorial.

In 1984 Congress appropriated $950,000 to be used for the completion of final preliminary plans, cost estimates and

drawings. That was the last appropriation made for the Memorial until 1989 when an appropriation of $5,852,000 for FY 90 was made by your Committee, Mr. Chairman, and was enacted into law in October 1989. It has been satisfying to the members of this Commission to see work toward construction of the Memorial revived since the assurance of funding was provided by the FY 90 appropriation. Advertising as required for noncompetitive procurement was placed this year. This was necessary in order to negotiate a contract with Mr. Halprin to complete the construction drawings and specifications, as well as to enter contracts with the four sculptors to resume work on the sculptures to be placed within the four garden rooms of the Memorial. It is anticipated that these contracts will be entered into by July 1, 1990. Funds appropriated for FY 90 will be spent in completing the site drawings and the construction drawings needed to quarry the granite; letting a contract to quarry the granite; beginning site preparation; beginning detailed construction drawings and specifications that are required for the memorial; and other work that must precede actual construction.

The National Park Service estimates $3,944,000 will be needed in FY 91 to keep construction proceeding at the appropriate pace. If we keep construction on schedule, we should be able to dedicate this long overdue memorial in 1995. To delay any longer on a project which the Congress has over and over

again committed itself to doing would incur unnecessary expense. Construction costs have more than doubled in the four years since the design was approved. If we had gone ahead and built this memorial immediately after approval of the design in 1982, it would have cost only $23,000,000. Now it will cost more than $46,000,000. I sincerely request, Mr. Chairman, that the rather modest amount needed to keep construction on schedule in FY 91 be included in your appropriations bill.

I also request the $28,000, which was included in the President's budget for continuing operation of the Roosevelt Commission office, be included in your appropriations. The one employee of the office follows the progress being made in construction of the memorial, keeping the Commissioners advised, and coordinates with the employees of the National Park Service, The Commission of Fine Arts and the architect. The financial records of the Commission and other files are maintained by her and she arranges for the annual audit which is required by OMB. She responds to inquiries about the memorial, and President Roosevelt himself, which come from the general public, researchers and the press. She is responsible for the various reports which must be filed. She also carries out the administrative tasks involved in holding meetings of the Commission and in hearings before the Committees of the Congress.

The deaths in 1989 of two of the Commission's most dedicated

members, Honorable Claude Pepper and Honorable Eugene Keogh, created two vacancies in the membership of the Commission. Senator Pepper's death also left the Chairmanship of the Memorial Commission vacant. In a Commission meeting on August 3, 1989, Senator Daniel K. Inouye and Senator Mark O. Hatfield were elected Co-Chairs of the Commission. The vacancy left in the House membership on the Commission by Senator Pepper's death was filled by the Speaker on Oct. 17, 1989 when he appointed Honorable Richard Ray of Georgia to serve on the Commission. The President has not yet appointed a replacement for the Honorable Eugene Keogh.

Also, Mr. Chairman, I would like to report that Honorable Jennings Randolph was appointed by the President to serve on the Commission on January 6, 1989. Senator Randolph succeeded David McLean Walters. Unfortunately, Senator Randolph, one of the last of the New Dealers, is now seriously ill. This reminds us of a plea given by Senator Claude Pepper in his last appearance before this committee last year. He said, "Let's not wait until the last of us New Dealers have passed on (to build the memorial)."

I think I speak for all the members of the Franklin Delano Roosevelt Memorial Commission when I say, Mr. Chairman, I am very grateful to you and the distinguished members of the subcommittee for making it possible, after 35 years of dedicated work by many, for construction of the memorial to go forward. I earnestly

request we keep the momentum going as we will do if $3,944,000 for construction of the memorial and $28,000 for operating expenses of the Commission office be included in your appropriation for FY 91.

Thank you for giving us this opportunity to make a statement.

**STATEMENT OF WILLIAM VANDEN HEUVAL
BEFORE THE SUBCOMMITTEE OF THE
HOUSE APPROPRIATIONS COMMITTEE HEARING
ON FUNDING FOR THE CONSTRUCTION OF THE MEMORIAL TO
PRESIDENT FRANKLIN DELANO ROOSEVELT
MAY 9, 1990**

Chairman Yates, Members of the Subcommittee:

Good afternoon. My name is William vanden Heuval and it is a particular pleasure for me to be here on behalf of The Franklin and Eleanor Roosevelt Institute at Hyde Park, New York, of which I am president. Thank you, Mr. Chairman, for giving me the opportunity to come before this distinguished committee to support the approved design of and continued funding for construction of the memorial to President Roosevelt.

The construction of this memorial to President Roosevelt in Washington, D.C. is of crucial importance to The Roosevelt Institute. We considered the appropriation of funds for its construction by this committee to be one of the major events of 1989 and sincerely hope you will make it possible for the project to continue.

There could be no more appropriate time to bring the long-awaited construction of this memorial to fruition. The Four Freedoms enunciated by Franklin Delano Roosevelt are echoing in every land. People throughout the world who have yearned for dignity and freedom are throwing off the yoke of totalitarianism and communism. The vision of FDR is becoming a reality. The nation committed itself under President Roosevelt's leadership to wage total and unconditional war in order to preserve the fundamental principles of human dignity that Roosevelt believed in, whether nationally or internationally, "Freedom from Want,

Freedom from Fear, Freedom of Worship and Freedom of Speech."

That vision is reflected so appropriately and so well in the design of the Roosevelt Memorial. The four outdoor rooms remind one of the four freedoms and President Roosevelt's four terms of office. The words of the four freedoms will be cast in bronze and mounted on the wall. Other powerful and moving sculptures and inscriptions woven throughout the Memorial will convey to the public the life and times of Franklin Delano Roosevelt, as well as visually depict the momentous events of his administration.

Such quotes as "the only thing we have to fear is fear itself" and "never forget that I live in a house owned by all American people and that I have been given their trust" are part of the American experience. These and other memorable quotes of President Roosevelt will appear on walls and in certain paved areas on benches. The sculptures and inscriptions will correspond with the Memorial's sequential and anecdotal manner, starting with the President's first inaugural and ending with a depiction of the funeral cortege moving through the streets of Washington. A walk through the Memorial will be a walk through history.

To recount the numerous reasons why there should be a memorial to President Roosevelt in Washington, D.C. would be redundant. They have been presented to this subcommittee many times in the past and will be eloquently stated by others who are here today. I did want you, Mr. Chairman, and the members of this committee to know that The Franklin and Eleanor Roosevelt supports the construction of this memorial to President Roosevelt. Thank you again for giving me this opportunity to speak.

STATEMENT OFFERED

BY

DAVID B. ROOSEVELT

TO

THE HOUSE INTERIOR APPROPRIATIONS SUBCOMMITTEE

REGARDING

THE FRANKLIN D. ROOSEVELT MEMORIAL

MAY, 1990

CHAIRMAN YATES, MEMBERS OF THE SUBCOMMITTEE:

I APPRECIATE HAVING THIS OPPORTUNITY TO ONCE AGAIN OFFER SOME PERSONAL REMARKS ON BEHALF OF THE FRANKLIN D. ROOSEVELT MEMORIAL PROJECT. FRANKLY, MR. CHAIRMAN, I HAD HOPED THAT MY APPEARANCE BEFORE THIS ASTUTE MEMBERSHIP LAST YEAR WOULD HAVE BEEN NOT ONLY MY FIRST, BUT MY LAST AS WELL. UNFORTUNATELY, HOWEVER, THAT IS NOT THE CASE.

AS YOU MAY RECALL FROM MY TESTIMONY A YEAR AGO, I APPEARED AS A REPRESENTATIVE OF BOTH SIDES OF MY RATHER DIVERSE FAMILY, AND AT THE REQUEST OF MY FATHER, ELLIOTT, AND MY UNCLE JAMES, WHO WAS PRESENT AT THAT HEARING. AT THE TIME, I PRAISED BOTH FORMER PRESIDENT REAGAN AND PRESIDENT BUSH FOR PROVIDING FOR A SIGNIFICANT APPROPRIATION IN THEIR PROPOSED 1990 BUDGETS FOR COMMENCEMENT OF CONSTRUCTION OF THE FDR MEMORIAL. AS WELL, I ATTEMPTED TO REBUT THE OFT-STATED REASONING THAT THERE SHOULD NOT BE A MEMORIAL TO MY GRANDFATHER'S WORK BECAUSE, BY HIS OWN DECLARATION, HE DID NOT WISH TO BE MEMORIALIZED. I OFFERED THE VIEW THAT NEITHER FRANKLIN NOR ELEANOR ROOSEVELT, BY VIRTUE OF THEIR OWN MODESTY, COULD HAVE HAD EVEN AN INKLING OF THEIR REAL INFLUENCE ON THE FUTURE COURSE OF THIS AND SO MANY OTHER NATIONS. AS IS SO OFTEN THE CASE, THIS INFLUENCE HAS EMERGED AS A LESSON OF HISTORY. HOWEVER, I REMINDED THE COMMITTEE OF MY GRANDFATHER'S KEEN SENSE OF THE IMPORTANCE OF THE QUALITIES OF HIS PREDECESSORS, AS A REMINDER TO FUTURE GENERATIONS OF THE VERY FIBER WHICH MAKES THIS NATION GREAT; HEROIC AND REMARKABLE LEADERS LIKE WASHINGTON, LINCOLN, JEFFERSON -- MEN OF VISION AND CONVICTION.

GENTLEMEN, I OFFER MY REMARKS AGAIN, CERTAINLY IN NO OFFICIAL CAPACITY, BUT AS A PRIVATE, ALBEIT SLIGHTLY BIASED, CITIZEN. I AM HERE, NOT NECESSARILY AS A FAMILY REPRESENTATIVE -- TWO YEARS IN A ROW COULD BE STRETCHING MY LUCK -- BUT RATHER AS A SINGULAR CITIZEN OFFERING A VIEW SHARED, I BELIEVE, BY A BROAD CROSS-SECTION OF OUR FELLOW COUNTRYMEN. THUS, I WOULD LIKE TO OFFER A DUAL PREMISE FOR ADDING THE MEMORIAL'S APPROPRIATION TO THE 1991 BUDGET. THE FIRST, FROM AN ECONOMIC STANDPOINT, IS PERHAPS MORE PRACTICAL THAN THE SECOND, WHICH FRANKLY IS MORE EMOTIONAL.

FIRST, I'D LIKE TO OFFER MY OWN PURELY UNSUBSTANTIATED ECONOMIC OBSERVATION REGARDING THIS PROJECT. THIRTY-FIVE YEARS AGO, WHEN A MEMORIAL TO FRANKLIN ROOSEVELT WAS FIRST CONCEPTUALIZED, THE ANTICIPATED COST WAS, I SUSPECT, MINISCULE RELATIVE TO THE $35 MILLION AMOUNT MENTIONED LAST YEAR BY OUR ESTEEMED FRIEND, CLAUDE PEPPER. AS WE ALL CAN ATTEST, PRICES INCREASE RATHER THAN DECREASE, AND IT SEEMS APPARENT THAT THE LONGER WE WAIT THE MORE WE WILL ULTIMATELY PAY. INDEED, I THINK I'M CORRECT WHEN I STATE THAT IN REAL TERMS THE FINAL COST OF THE MEMORIAL COULD WELL EXCEED THE $35 MILLION ESTIMATION, ESPECIALLY IF CONSTRUCTION IS FURTHER DELAYED. IF THIS WORK IS SUSPENDED FOR ONE, TWO OR EVEN MORE YEARS, HOW MUCH WILL THE FINAL COST HAVE INCREASED? WHILE

THERE IS PROBABLY NO ANSWER TO THAT QUESTION TODAY, THERE CAN BE LITTLE DOUBT THAT MOMENTUM WILL CEASE, INTEREST WILL WANE, AND IT WILL COST MORE. IN MY OWN PERSONAL OPINION, IN FACT, IF THE FDR MEMORIAL PROJECT IS NOW SUSPENDED, THIRTY-FIVE YEARS OF EFFORT AND MONEY CAN BE WRITTEN OFF AS A FAILURE. IF IT STOPS NOW, I SEE LITTLE HOPE FOR FUTURE RESURRECTION.

IF MY RATHER NAIVE ECONOMIC PERSUASION HAS FAILED TO SWAY YOUR GOOD INTENTS, ALLOW ME TO APPEAL TO YOUR MORE EMOTIONAL SENSES. LAST YEAR IN HIS REMARKS TO YOU, CLAUDE PEPPER MADE A SIMILAR APPEAL; HE NOTED THAT THE MEMORIAL'S DISTINGUISHED ARCHITECT, LAWRENCE HALPRIN, WAS THEN 73 YEARS YOUNG, AND THAT IT MADE SENSE THAT THE MAN RESPONSIBLE FOR THIS INCREDIBLE DESIGN SHOULD BE THE ONE TO FINISH THIS PROJECT -- HOPEFULLY BEFORE HE RETIRES. HE OBVIOUSLY DOESN'T ANTICIPATE EARLY RETIREMENT.

AS THE SENATOR SPOKE TO YOU, ALMOST EXACTLY ONE YEAR AGO TO THE DAY, FEW OF US WERE AWARE THAT HE HAD LEFT THE SICK-BED TO DELIVER HIS ELOQUENT APPEAL. AND CERTAINLY NONE OF US REALIZED THAT WE WERE PRIVILEGED WITNESSES TO CLAUDE PEPPER'S LAST, OFFICIAL APPERANCE BEFORE HIS COLLEAGUES. GENTLEMEN, WE ALL HAVE OUR MEMORIES OF THIS GREAT MAN; HIS ELOQUENCE AND STATESMANSHIP, HIS WARMTH, SINCERITY AND LOYALTY -- WORDS ARE INADEQUATE. BUT I REMEMBER THE SENATOR, NOT SO MUCH FOR HIS FRIENDSHIP WITH MY FAMILY AND GRANDPARENTS, WHICH WILL ALWAYS BE CHERISHED, BUT RATHER FOR HIS OBSTINATE DETERMINATION. IF CLAUDE PEPPER SAID, "THIS IS RIGHT, IT MUST BE DONE", MORE OFTEN THAN NOT IT WAS DONE. AT THE LAST MEETING OF THE FDR MEMORIAL COMMISSION CHAIRED BY THE SENATOR, HE TOLD THE ACCUMULATED MASS OF COMMISSION MEMBERS AND GUESTS, AND I PARAPHRASE, "THIRTY-FOUR YEARS IS LONG ENOUGH; WE OWE THIS MEMORIAL TO THE PEOPLE, AND I'M GOING TO SEE IT COMPLETED". NO ONE DOUBTED HIM. CLAUDE PEPPER, MUCH TO OUR REGRET, DID NOT LIVE TO SEE ITS COMPLETION, BUT HE LED US TO A MOST SIGNIFICANT "BEGINNING OF THE END" LAST YEAR.

WE ARE A NATION OF DREAMS AND DREAMERS. IN LAST YEAR'S PROPOSED BUDGET PRESIDENTS REAGAN AND BUSH "DREAMED" OF A $19 MILLION APPRORPIATION FOR THE FDR MEMORIAL. CLAUDE PEPPER "DREAMED" OF $35 MILLION. YOUR COMMITTEE "DREAMED" OF A $6.2 MILLION APPROPRIATION. THE "DREAMS" CAME TRUE AT $5.8 MILLION -- FOR WHICH WE ARE TRULY GRATEFUL. THIS YEAR, I'M AFRAID THE DREAM WAS LOST. THERE IS NO PROVISION FOR AN APPROPRIATION WHATSOEVER.

MR. CHAIRMAN, WITH YOUR PERMISSION I SHOULD LIKE TO DIGRESS VERY BRIEFLY BEFORE CONCLUDING, TO OFFER SOME THOUGHTS FOR YOUR CONSIDERATION. "HE FACED THE FACT THAT MEN WHO WILL NOT FIGHT FOR LIBERTY CAN LOSE IT." WE, AS WELL, RECOGNIZE THAT FACT AND HAVE SPREAD THAT LESSON WORLDWIDE. "HE LIVED IN A WORLD IN WHICH FREEDOM OF CONSCIENCE AND FREEDOM OF MIND WERE BATTLES STILL TO BE FOUGHT... WE, TOO, HAVE LIVED IN SUCH A WORLD."

"HE LOVED PEACE AND LOVED LIBERTY -- YET ON MORE THAN ONE OCCASION HE WAS FORCED TO CHOSE BETWEEN THEM." FUTURE GENERATIONS MAY ALSO BE FORCED TO MAKE THAT CHOICE, JUST AS OUR BROTHERS IN OTHER LANDS MAKE THAT CHOICE TODAY.

"WE JUDGE HIM BY THE APPLICATION OF HIS PHILOSOPHY TO THE CIRCUMSTANCE OF HIS LIFE. BUT IN SUCH APPLYING WE COME TO UNDERSTAND THAT HIS LIFE WAS GIVEN FOR THOSE DEEPER VALUES THAT PERSIST THROUGHOUT TIME. GENERATIONS WHICH UNDERSTAND EACH OTHER ACROSS THE DISTANCES OF HISTORY ARE THE GENERATIONS UNITED BY A COMMON EXPERIENCE AND A COMMON CAUSE."

"HE PROVED THAT THE SEEMING ECLIPSE OF LIBERTY CAN WELL BECOME THE DAWN OF MORE LIBERTY. THOSE WHO FIGHT THE TYRANNY OF OUR OWN TIME WILL COME TO LEARN THAT OLD LESSON."

GENTLEMEN, I HOPE YOU SEE SOME CORRELATION OF THESE WORDS AND MY GRANDFATHER. INDEED, I HOPE YOU SEE THEIR VALUE AS A LESSON — PERHAPS EVEN A GUIDE — FOR FUTURE GENERATIONS WHO TAKE SOLACE FROM THE MEMORIAL WE DISCUSS TODAY. FOR THESE ARE NOT MY WORDS. NO, I AM NEITHER SO ELOQUENT NOR SO PRESUMPTUOUS. RATHER THEY ARE THE WORDS SPOKEN ON APRIL 13, 1943, FORTY-SEVEN YEARS AGO, BY FDR ON THE OCCASION OF THE DEDICATION OF THE JEFFERSON MEMORIAL. BUT IF YOU SEE A CORRELATION, I WOULD ASK THAT YOU CONSIDER THESE REMARKS AS YOU DELIBERATE THE FUTURE OF A MEMORIAL TO FRANKLIN ROOSEVELT.

THUS, I ASK YOU TODAY, ON BEHALF OF OUR ESTEEMED FRIEND, CLAUDE PEPPER, MEMBERS OF THE MEMORIAL COMMISSION, AND MORE IMPORTANTLY FOR THE GENERATIONS OF FUTURE LEADERS WHO MIGHT BE INSPIRED BY THE MESSAGE PROVIDED BY THIS MEMORIAL, PLEASE RESTORE THE DREAM. IN YOUR WISDOM AND POWER, I RESPECTFULLY REQUEST THAT YOU INCLUDE AN APPROPRIATION IN YOUR COMMITTEE'S BILL FOR CONTINUATION OF THE FRANKLIN D. ROOSEVELT MEMORIAL. AS I SUGGESTED LAST YEAR, AND WISH TO REITERATE NOW, THIS IS NOT A MONUMENT TO THE PAST, BUT A REFLECTION OF THE PRINCIPLES WHICH GUIDE THE FUTURE OF OUR NATION.

MR. CHAIRMAN, MEMBERS OF CONGRESS, I THANK YOU FOR THE OPPORTUNITY TO OFFER ONCE AGAIN MY SUPPORT FOR THE FRANKLIN D. ROOSEVELT MEMORIAL.

STATEMENT OF FRANCES HUMPHREY HOWARD
BEFORE THE SUBCOMMITTEE OF THE
HOUSE APPROPRIATIONS COMMITTEE HEARING
ON FUNDING FOR THE CONSTRUCTION OF THE MEMORIAL TO
PRESIDENT FRANKLIN DELANO ROOSEVELT
MAY 9, 1990

Mr. Chairman, Members of the Subcommittee, Ladies and Gentlemen: Thank you for giving me the opportunity to be here today in support of the memorial to President Franklin D. Roosevelt. I am Frances Humphrey Howard. Mr. Chairman, I want to commend you and the Members of this Committee for the funding you provided for Fiscal Year 1990 for the FDR Memorial. It is so important to continue this great project which you have begun.

We all know FDR was one of our truly great presidents. Elected four times by the people of our nation, he led our country through one of its most tumultuous and difficult times--from the depths of the Depression to prosperity, from the darkness of the most devastating war the world has ever known to a stable peace and a renewed sense of cooperation which led to the creation of the United Nations. Under President Roosevelt's leadership, our nation assumed a strong position in world leadership. He believed no nation could be strong abroad in foreign policy or international trade unless it was strong at home. His commitment to a compassionate and caring government were the cornerstones of the New Deal programs.

my late brother, Hubert H. Humphrey, served on this Commission from 1956 to 1964. Hubert shared President Roosevelt's New Deal philosophy and, I quote from FDR, "that the legitimate object of government is to do for the people what needs to be done but which they cannot by individual effort do at all or do as well for themselves." This underlying premise of the New Deal is as valid today as when first articulated.

As my late brother stated in his book, The Political Philosophy of the New Deal, "Franklin Roosevelt brought government to the people. He personalized the role of government and brought better understanding of that social contract so vital for a democracy -- the direct relationships of the people to their government and the government to the people. This conception of government and the people has continued -- and today people look to the president more than ever as the people's office and the central force in political affairs."

According to Hubert, "The New Deal added a new dimension to modern liberalism. The New Deal made liberalism a positive force for the betterment of the human condition ... Freedom was characterized by a better life, better homes, better education. Government was to be more than the protector and the regulator, it was to be a partner, a constructive force, in improving the nation and helping the individual."

The 1930's were difficult days for our nation but these are also trying times. For those who continue to believe in an open society and the equality of man, a memorial to FDR will be useful and instructive for present and future generations.

FDR's formula for recovery from the depths of the Great Depression were based in faith -- faith in the democratic aspiration, faith in what he called "the forgotten man at the bottom of the economic pyramid," and faith in the constructive use of government as an indispensable instrument for human progress. FDR realized the importance of an active government. His New Deal legislation put his thoughts into action.

For example, FDR led the way to provide a federal social security system which would enable senior citizens to live in dignity throughout their later years. Today we are grateful for Roosevelt's leadership in this area. Indeed, a recent Census Bureau report stated that 47 percent of the nation's older persons would be living in poverty if it were not for social security.

Roosevelt's service as Secretary of the Navy, his love of sailing and of Campobello, his use of soothing waters at Warm Springs, Georgia, his wartime meetings in the Atlantic, and his establishing of the Tennessee Valley Authority are all reflected in the ebb and flow of water throughout the park. He once said

after his polio attack, "The water put me where I am and the water has to put me back."

His love and active, lifelong participation in gardening and forestry, as well as a deep commitment to conservation of natural resources, are reflected in the natural surroundings of the memorial site.

The memorial, consisting of four outdoor garden rooms connected by contemplative passageways, will take viewers through a symbolic journey. The content and the historical perspective of the Memorial will be conveyed by sculpture and quotations from President Roosevelt's speeches. Numerous images of Roosevelt and representations of his great programs and contributions to our country will appear throughout the park in bronze statues, bas reliefs and sculpture.

Our country needs an appropriate memorial to FDR in our capital city where the citizens of this nations and visitors from around the world can feel the presence of this great man. Many of us who lived in FDR's time remember the impact he had upon our nation. But, there must be a reminder for those who come after us. Just as the Washington Monument, the Jefferson Memorial and the Lincoln Memorial serve as an inspiration to our people, so too will the FDR Memorial. It will tell the story of this remarkable President and the history of our country from March 4,

1933 until April 12, 1945.

Those of us who believe so strongly in the memorial were encouraged by the appropriation of construction funds for fiscal year 1990. I encourage you, Mr. Chairman and Members of the Committee to make possible the continued progress for this project by appropriating the funds needed in FY 1991. Thank you very much for giving me the opportunity, Mr. Chairman, to appear before this committee in support of this Memorial to President Roosevelt.

Mr. YATES. Tell me, Mr. Green, what do you want us to do? We're on your side.

Mr. GREEN. Thank you very much. We appreciate what you did last year in getting this moving again after a six-year delay.

Mr. YATES. I understand we're sort of in a box at the present time because of the action of the Commission on Fine Arts.

Mr. GREEN. Well, my understanding is that the architect is working with them, and I hope that the concerns they have can be accommodated as we move from the preliminary design to the final construction drawings and specifications. I did not have the impression from Mr. Halprin that this was an unsurmountable obstacle.

Mr. YATES. The impression I have is that it is proposed to reduce the size of the monument. If that is true, do we then have a difference in the amount of money that will be needed for the monument?

Mr. GREEN. Well, again, I wouldn't want to presume the outcome of his discussions with them. The history over the years has been that as time has passed costs have gone up. I am simply wondering whether the two aren't going to move in parallel even if there is some change in size.

Mr. YATES. I join you, and I join the other members of the Committee in trying to press forward with construction of the memorial. We have been waiting much too long for it. I just don't know what the right thing to do is or how much to make available this year. How much do you want us to make available?

Mr. GREEN. We are told by the National Park Service that they need $3,944,000 to keep moving ahead at what they consider an economical pace.

Mr. YATES. I see.

Mr. GREEN. In addition to that, we need $28,000, which was included in the President's budget, for the continuing operation of the Commission office itself.

Mr. YATES. Okay.

Bill, do you have anything to add to what——

Mr. VANDEN HEUVAL. Well, I certainly would second that, Mr. Chairman. I want to thank the Committee and to recall the appearance of Claude Pepper last April, the last appearance of his public life. I guess I would also suggest that we're coming into a point in our own history when so much that Franklin Roosevelt talked about and dreamt about is coming into a reality—the events of Eastern Europe, for example.

In generations of America, my children and our grandchildren, will have to be reminded of what that war was fought about and the values of it for American freedom and what the four freedoms were. Next January is the 50th anniversary of the four freedoms speech by Franklin Roosevelt to the Congress of the United States.

If we can go forward with this memorial and have the construction begin so that sometime early in the 1990s it is dedicated, I think it will serve the great purpose that the Washington and Jefferson Memorials serve to remind us of our revolutionary spirit. The Lincoln Memorial reminds us of what the Civil War and bringing a Nation together meant. The Roosevelt Memorial is to remind us of the depression, the war, and the new chance for creating a different world that we now have an opportunity to do.

I know there is some concern about the design that was finally consummated in 1978. Obviously, it should be subject to review and to some changes, perhaps, but it is the product of 40 years of work, bringing very diverse groups of families and other groups together in its approval.

I would hope that what the Commission of Fine Arts does in its review is to make whatever changes it deems necessary but not to materially alter the design so that it impedes the progress of going forward.

Mr. YATES. Let's hope that happens.

Mr. VANDEN HEUVAL. Thank you, Mr. Chairman.

Ms. HOWARD. I was so impressed when I looked at the design and the symbolism that was represented in that design. I don't think I've ever seen a more architecturally beautiful, conceptual idea of what President Roosevelt represented. All the four rooms—each one that you can walk through—and open space. I can't imagine anyone quarreling with that magnificent design. Frankly, I think that when we talk about education now, people get education through visual means, through feeling the openness, and we need that. We need that monument to express the values and the dignity of man.

President Roosevelt, more than anyone, believed in the responsiveness of the people to the Government and the Government to the people. My written testimony will show that my whole family was brought up on the ideals of Roosevelt. You wouldn't have had a Hubert Humphrey at all without Roosevelt. Many people admired him. We idolized him because we knew that what he brought to the common man was equality. He reached the opportunity, and we need that now in this country with its turbulence.

Surely he served in the turbulent time during the depression and during the second World War, but we have turbulence in our education system now. We have turbulence everywhere with the drug war, and so forth, so we need this memorial conceptually so people can walk through it and our young people can see what represents great statesmanship and great leadership. I, for one, think it would be appalling not to go forward with this design when we're talking about the importance of education. The design to me and the symbolism represented there is perfectly beautiful.

Mr. Chairman, I'm a grandmother, and I want my grandchildren to be able to witness what I did. I knew the Roosevelt's. I worked with Mrs. Roosevelt in 1941 and 1942. I was her girl Friday when she was in the National Office of Civilian Defense. I met the family. My father used to meet Mr. Roosevelt when he made those whistle-stop tours through South Dakota in the middle of the night and get up and present what the Democratic party in South Dakota was going to do.

Of course, there weren't very many Democrats out there, but at least my father had the opportunity to be filled and charged with the power of this great man. Of course, I am here representing not only my family but future generations, including my grandchildren.

Mr. YATES. Good statement.

Did you want to say something, Ms. Campbell?

Ms. CAMPBELL. No, sir.

Mr. YATES. I just want to say one thing. I agree with you that this is in a great measure a tribute to Claude Pepper, the efforts he made, the relationship that he had with Franklin D. Roosevelt, and the kind of a continuous thread that goes through there, and the relationship to Hubert Humphrey and the other great people who served the country so well.

Mr. GREEN. I think that is absolutely right, Mr. Chairman. As a final observation, I wanted to make the point that even the youngest of us who were alive throughout the Franklin Roosevelt presidency are approaching senior citizen status these days.

Mr. YATES. We've already passed that. [Laughter.]

Mr. GREEN. It would be my hope that while there still is a substantial body of people who remember the Roosevelt presidency, you could complete the memorial.

Mr. YATES. When I came to Congress, I came with Frances' brother, Hubert, in 1948. He went to the Senate, and I went to the House with Harry Truman, so I remember a little bit about it.

Ms. HOWARD. I beat you. I was here in 1933.

Mr. VANDEN HEUVAL. Mr. Chairman, may I just say on behalf of the directors of the Franklin Delano Roosevelt Institute how grateful we are to you and to your colleagues for your initiative in carrying forward the momentum of this. We will trust absolutely your——

Mr. YATES. We're going to ask the Commission of Fine Arts when they come in about this. They're coming in later this morning.

Thank you very much.

Mr. VANDEN HEUVAL. Thank you, Mr. Chairman.

Mr. GREEN. Thank you.

Ms. HOWARD. Thank you.

[Questions and answers for the record follow:]

Submitted by

the Franklin Delano Roosevelt Memorial Commission

May 9, 1990 Hearing

ADDITIONAL COMMITTEE QUESTIONS

OVERVIEW OF BUDGET REQUEST

QUESTION: What is happening with respect to constructing the FDR Memorial in FY '90?

ANSWER: At its meeting on April 19, 1990, the Commission of Fine Arts reviewed the design for the FDR Memorial, which was initially approved by that body on Sept. 20, 1979 and was later approved by Congress in the 1982 legislation authorizing the Memorial. This was done in compliance with language in the conference report for the FY 1990 Interior and Related Agencies Appropriations Bill. The Commission of Fine Arts asked that the architect, Lawrence Halprin, reexamine the previously approved Memorial design.

The National Park Service, at the request of the Franklin D. Roosevelt Memorial Commission, has entered into a contract with the architect to review the Memorial design in accordance with the request of The Commission of Fine Arts. The FDR Memorial Commission will report to the Commission of Fine Arts June 21, 1990.

QUESTION: How will the funds, $5,852,000, appropriated to the Park Service to initiate construction in FY 1990 be spent?

ANSWER: Assuming the reexamination of the design of the Memorial is completed at an early date, funds will be used for the sculptors to commence work as well as to complete the working drawings required in order to begin quarrying the granite.

QUESTION: Have the funding requirements which you provided to the Committee last year changed? If so, what are the current estimates by year.

ANSWER: Funding requirements have not changed but the amounts to be outlayed each year have shifted. Funding requirements by year for the existing design are provided in Exhibit A.

EXHIBIT A

Completion Schedule for F.D.R. MEMORIAL

CALENDAR YEAR	1990				1991				1992				1993				1994			
TASK ↓ (who will accomplish it.)	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th
Negotiate Contract With Halprin's Office (DSC)	$ 213,000																			
Prepare for & Present Redesign to Fine Arts Commission (Halprin / DSC)																				
Sculptors Meetings to Define Art Products (Halprin / DSC / Sculptors)																				
Revise Preliminary Plan to Reflect Fine Arts Commission's Changes (Halprin / DSC)																				
Prepare Contract Documents for Rough Granite Purchase Order (Halprin / DSC)																				
Obtain Purchase Order for Rough Granite (DSC)																				
Rough Granite Production Purchase Order Contract (Contractor)					$ 2,456,000				$ 5,536,000											
Prepare Contract Documents for Finished Granite Purchase Order (Halprin / DSC)																				
Obtain Purchase Order for Finished Granite (DSC)																				
Finished Granite Production Purchase Order Contract (Contractor)													$ 4,644,000							
Negotiate Contract With Sculptors (DSC)	$ 3,188,000																			
Design and Fabricate Sculptures (Sculptors)																				
Traffic and Pedestrian Circulation Study	$ 25,000																			
Prepare Site Preparation and Ballfield Construction Documents (DSC)	$ 30,000																			
Site Preparation and Ballfield Const. Bid Period (DSC)																				
Site Preparation and Ballfield Construction Period	$ 216,000				$ 272,000															
Prepare Road Realignment Construction Documents (Halprin / DSC)					(FHWA FUNDING)															
Road Realignment Bid Period (DSC)																				
Road Realignment Construction Period (Contractor)																				
Prepare Memorial Construction Drawings and Contract Documents (Halprin / DSC)									(FHWA FUNDING)											
Memorial Construction Contract Bid and Award (DSC)					$ 214,000															
Memorial Construction Contract Construction Period (Contractor)																				
Finish & Install Sculptures and Inscriptions (Sculptors, Engraver and Contractor)									$ 21,824,000											
													$ 3,013,000							

* Doesn't Include $15,000 Carried Over From Previous Years.

FISCAL YEAR	FY 90	FY 91	FY 92	FY 93	FY 94
GROSS DOLLARS per Fiscal Yr.*	$ 5,785,000	$ 3,944,000	$ 28,362,000	$7,687,000	

OMB ACTIONS

> No funds have been requested by the Administration for the Memorial in FY 1991. In fact, the Office of Management and Budget wants the funds appropriated in FY 1990 to be reprogrammed to "higher priority construction projects."

QUESTION: To what extent are you complying with the OMB's direction?

ANSWER: Even though Congress has not received nor approved a request for reprogramming of funds appropriated in the FY 1990 budget for the construction of the Memorial, it is our understanding that the Park Service has ceased obligation of the construction funds based on the policy guidance of the Assistant Secretary of the Interior, Policy, Management and Budget. It is anticipated that an amendment to the emergency supplemental appropriations bill, introduced by Senators Hatfield and Inouye, which recently passed the House and Senate and was signed by the President, will require the funds to be released for construction of the Memorial.

> It is our understanding that the Park Service has ceased obligations of the funds appropriated in FY 1990 based on policy guidance of the Assistant Secretary of the Interior, Policy, Management and Budget.

QUESTION: What impact is that compliance having on the project?

ANSWER: The impact has been minimal thus far, but would be detrimental to the project in the near future when a contract with the architect must be entered into for construction to begin. As stated above, it is expected that the funds soon will be released.

QUESTION: What funds, if any, were included in the Park Service FY 1991 request to the Department for FDR Memorial construction? What was asked of OMB?

ANSWER: No funds were requested at any level by the National Park Service.

COMMISSION OF FINE ARTS REVIEW

QUESTION: What is being done to address the concerns expressed by the Commission of Fine Arts in their review of the Memorial's plans on April 19? Would you provide for the record a description of each of the Commission's concerns and what you are doing to respond to them.

ANSWER: The official letter from The Commission of Fine Arts to the FDR Memorial Commission Chairs, Senator Mark O. Hatfield and Senator Daniel K. Inouye, regarding their review of the FDR Memorial design recounted the following concerns: the scale of the design, the openness of the space, the interruption of views of the Potomac River, the lack of sufficient shade, and the large areas of granite paving. The architect, Lawrence Halprin, agreed to review the design with the Commission's views in mind.

At the June 21, 1990 meeting of the Commission of Fine Arts, Mr. Lawrence Halprin will present a revised drawing, sketches, slides and a partial model which will show how he proposes to respond to the Commission's concerns without making major changes in the previously approved design.

QUESTION: To what extent could marble be used in the memorial; not in place of the granite but, perhaps, as an accent or incorporated in walkways?

ANSWER: The design approved in P.L. 97-224 of 1984, based on the approval of the Commission of Fine Arts, specifies a particular color and texture of granite. No consideration is being given to the use of marble.

QUESTION: What has been done to reach agreement with the running community on accommodating the existing road race site in constructing the memorial?

ANSWER: The National Park Service has completed a study of alternatives for race courses in East and West Potomac Parks and other parks in the city.

QUESTION: Has this issue been resolved? If no, what remains to be done?

ANSWER: We are hopeful that the issue will be resolved at a meeting with representatives of the running community.

QUESTION: What have you decided on the inscriptions to be used and their placement in the Memorial?

ANSWER: Inscriptions and their placement have been tentatively determined by the Franklin D. Roosevelt Memorial Commission and Mr. Halprin upon the advice of outstanding historians. Final selection of the inscriptions to be included

from among those being considered will be made by the Franklin D. Roosevelt Memorial Commission.

QUESTION: What are your plans for the sculptures? What sculptures will be included in the Memorial? Where will they be placed?

ANSWER: The Fine Arts Commission and the Franklin Delano Roosevelt Memorial Commission approved 12 sculptures, portraying various facets of President Roosevelt's career. The maquettes which were submitted to the Commission were also approved. Exhibit B provides a list of those sculptures and where it is anticipated they will be placed within the Memorial. Work on the sculpture will be resumed shortly after the review of the Memorial design by the Commission of Fine Arts has been completed. The sculptors previously selected by the FDR Memorial Commission in cooperation with the Fine Arts Commission and Mr. Lawrence Halprin will produce the sculptures.

EXHIBIT B

SCULPTURE	SCULPTOR	LOCATION
FUNERAL CORTEGE	LEONARD BASKIN	ROOM 1
FDR INAUGURATION	LEONARD BASKIN	ROOM 1
FIRESIDE CHAT	GEORGE SEGAL	ROOM 2
APPALACHIAN COUPLE	GEORGE SEGAL	ROOM 2
ONE THIRD OF A NATION	GEORGE SEGAL	ROOM 2
WPA	ROBERT GRAHAM	ROOM 2
IMAGE OF FDR SEATED	NEIL ESTERN	ROOM 3
WALL OF THE WAR	GROUP COLLABORATION	ROOM 3
YALTA CONFERENCE	GEORGE SEGAL	ROOM 3
FOUR FREEDOMS	ROBERT GRAHAM	ROOM 4
AMERICA THE BEAUTIFUL	LEONARD BASKIN	ROOM 4
COMMANDER IN CHIEF	LEONARD BASKIN	ROOM 4

WEDNESDAY, MAY 9, 1990.

NATIONAL GALLERY OF ART

WITNESSES

J. CARTER BROWN, DIRECTOR
ROGER MANDLE, DEPUTY DIRECTOR
ANNE B. EVANS, ADMINISTRATOR
PHILIP C. JESSUP, JR., SECRETARY-GENERAL COUNSEL
DANIEL HERRICK, TREASURER
WILLIAM H. ROACHE, BUDGET OFFICER

INTRODUCING

Mr. YATES. I now call the National Gallery of Art up for a budget hearing. Change your hat, Mr. Brown.

This is the hearing on the National Gallery of Art for fiscal year 1991. Here in support of that budget is the able and articulate and knowledgeable director, Mr. J. Carter Brown. He is accompanied by Roger Mandle, deputy director; Ms. Evans, administrator; Mr. Jessup, secretary-general counsel; Mr. Herrick, treasurer; and Mr. Roache, budget officer.

Your statement, Mr. Brown, may go into the record at this point.

[The prepared statement of Mr. Brown follows:]

NATIONAL GALLERY OF ART

Statement by Mr. J. Carter Brown, Director of the National Gallery of Art, to a Subcommittee of the Committee on Appropriations, United States House of Representatives, May 9, 1990

The National Gallery's federal funds budget request for the fiscal year 1991 is $48,903,000--a net increase of $6,386,000 over the 1990 budget of $42,517,000. Comprising the total increases are: personnel compensation and benefits--$2,657,000; special exhibitions program--$1,500,000; rents, communications and utilities--$327,000; printing and reproduction--$40,000; equipment, materials, supplies, services, travel, and transportation--$862,000; repair, restoration and renovation--$1,000,000. The budget includes positions consistent with an OMB limitation of 874 FTE (full-time equivalent) employment.

Attendance at the National Gallery continues at a high level. In fiscal year 1989 the attendance was 6,221,682. The primary reason can be attributed to the enthusiasm of the public for our special exhibitions such as the Japan, Cezanne, Michelangelo, and History of Photography exhibits.

Forty-two percent ($2,657,000) of the total increase is associated with personnel compensation. This increase provides: $275,000 for mandatory within-grade and wage-board step increases and merit pay; $138,000 for increased costs of Health Benefits; $1,001,000 for annualization of the FY 1990 pay raise; $21,000 for increased costs of workers compensation; $15,000 for annualization costs of 2 new positions approved in FY 1990; $220,000 for increased costs of the Federal Employees' Retirement System (FERS); $93,000 for one more compensable day; $487,000 for 20 FTE employment at 3/4 year funding; $29,000 for increased costs of upgrading 86 guard positions to GS-5; and $378,000 for 3/4 year funding of 50% of a projected 3.5% pay raise in January, 1991.

Twenty-three percent ($1,500,000) of the total increase is requested for our special exhibitions program. The increase consists of a one-time special additional funding being requested for the Circa 1492 Columbus exhibition which opens in October of FY 1992. Planning funds of $500,000 were previously appropriated in FY 1990. Vigorous fundraising efforts in the private sector are being undertaken to raise private support for this major exhibition. At this time $3,000,000 has been raised from corporate and foundation sources. The costs of this exhibition are expected to amount to $7.1 million.

Sixteen percent ($1,000,000) of the total increase is requested for the Repair, Restoration and Renovation of Buildings program approved by OMB and included in the President's budget for fiscal 1991. This overall program includes the National Sculpture Garden and sculpture galleries, environmental work, energy management, remodeling to better utilize existing space, new lighting systems in public galleries, and general repairs. In addition, the Renovation program includes such multi-year projects as: asbestos abatement, replacement of the West Building skylights, improved shop ventilation, elevator renovation, and installation of a computerized energy management system.

Thirteen percent ($862,000) of the total increase is needed to cover added quantities and increased costs of equipment, materials, supplies, services, travel and transportation in support of the basic Gallery operations. This amount consists of $14,000 for travel, $7,000 for transportation, $114,000 for supplies and materials, $409,000 for services; and $318,000 for equipment.

Five percent ($327,000) of the total increase is required for the increased costs of rents, communications and utilities. This amount consists of $435,000 to cover water and sewer costs; $18,000 to cover increased costs of warehouse structural rental and utility rates; $60,000 for increased telephone and postage costs; $6,000 for increased costs of photocopies; all partially offset by an expected $192,000 decrease in the costs of steam and electricity.

The final one percent ($40,000) of the total increase is for increased costs and wider public distribution of the calendar of events and audiovisual film brochures. New brochures are also planned for school, tour, family programs, senior citizen, family self guides and special programs.

Mr. YATES. You have a budget of $48,903,000, which is an increase of approximately $6 million over last year, $6,386,000 to be exact. Is this budget adequate for your needs and purposes?

Mr. BROWN. I think for the coming year it will be.

Mr. YATES. Well, that's all we're dealing with.

Mr. BROWN. That's right.

Mr. YATES. Is there something that we ought to know that should require our attention as to your needs for future years that we might have to look at in this budget?

Mr. BROWN. In terms of the long term, actually already next fiscal year we would need to reimburse our no-year funds for an expenditure that we would like to make this fiscal year with the concurrence of the committee.

Mr. YATES. Are you 10 years old already in this——

Mr. BROWN. Isn't that amazing?

Ms. EVANS. Twelve.

Mr. YATES. Gracious. Wow, you're growing up.

GARDNER MUSEUM THEFT

Mr. BROWN. You may have read, Mr. Chairman, about the theft in—

Mr. YATES. Yes, I did. How can they lift that?

Mr. BROWN. It was a very expert job needless to say, but I think the consensus is that the little Gardner Museum was also not totally prepared for people to come purporting to be policemen and infiltrating themselves inside.

Mr. YATES. What did they filch from you?

Mr. BROWN. They didn't get anything from us. In the Gardner they got a Vermeer, a Rembrandt, and about $200 million worth of art.

Mr. YATES. $200 million.

Mr. BROWN. If you could put a price at all on a Vermeer. There are only 33 or so of them in the world. We had already retained a security consultant last fall to review our own security. We are all of the mind that the highest possible priority at the National Gallery has to be the preservation of our collection.

Mr. YATES. You say you are looking at it. You don't want the same thing to happen. What are you doing?

SECURITY

Mr. BROWN. We have made a study of what equipment would be necessary, and we had planned to think of this in terms of small increments over the next five or six years. We now feel that given this present climate and all the publicity that is given to value and price in works of art and to this theft, which has called the press in to document a whole trend in art theft around the world, we should accelerate these programs and do them immediately.

Mr. YATES. What do you want to do?

Mr. BROWN. We want to spend $985,000 on bringing our security up to the mark. We feel that in——

Mr. YATES. Up to what mark? What do you propose to do?

Mr. BROWN. Well, we have a list here. I would prefer to discuss technical aspects of security off the record if that's okay.

Mr. YATES. Okay. I can understand that.

Mr. BROWN. The beauty is that——

Mr. YATES. How can we discuss anything off the record in a public meeting? [Laughter.]

Mr. BROWN. I think if there are members of the press here—are there?

Mr. YATES. No. I think what you might want to do is give us something not for the record but for our files in writing and mark it confidential, or for our eyes only, or something like that.

Mr. BROWN. All right. We are very impressed with the security consultant that we have retained. They had great success in a city you may have heard of called Chicago in which there was a theft of two valuable Cezannes a few years ago, and these people were called in then. The Art Institute of Chicago, we now feel, is a kind of world leader in its security systems. We feel the National Gallery should be at least as good.

The beauty of it is that we could get after this right away by deploying funds that are appropriated on a no-year basis. In a sense, they would have to be replenished so that I suppose the right answer to your original question is that as soon as next year we would want them to be put back.

Mr. YATES. This Vermeer that has been stolen—where does it go? What can a thief do with it?

Mr. BROWN. We wish we knew. The Detroit Art Institute lost several Dutch 17th century pictures, which were recovered a couple of weeks ago. There the director of the Gardner told me the owner was a drug lord in Miami.

Mr. YATES. Really? And he had them on his wall?

Mr. BROWN. I don't know what he was doing with them, but the FBI tracked him down.

Mr. YATES. How did they find him?

Mr. BROWN. The FBI found him.

Mr. YATES. Were there leads? How did they find him?

Mr. BROWN. I guess. They're not talking about how they're going about the Gardner theft, needless to say. It often takes a long time. Some of the things stolen in Europe ended up in Japan where they have only a three-year statute of limitations, and that is terrifying. It is a real problem.

Mr. YATES. Let's talk about your security needs for a moment. It has been suggested that you might be able to use money for your Sculpture Garden.

Mr. BROWN. To tide us over this summer. That's right because we——

Mr. YATES. What expenditures in your Sculpture Garden would you use?

Mr. BROWN. The Congress appropriated $3 million towards that. We are proceeding with design, but we won't need to obligate all those funds in this fiscal year. So if we can, in a sense, reprogram them for this emergency function on the understanding that we have them replenished, then we would proceed with the security program.

Mr. YATES. I think maybe if you don't need those funds, you ought to submit a reprogramming request.

Mr. BROWN. This is what we would like to do, Mr. Chairman.

Mr. YATES. All right. What other needs do you have? What about the question of guards? Do you have enough guards?

Mr. BROWN. We think we do.

Ms. EVANS. Yes, we do.

Mr. BROWN. Part of the whole security review is a way to see what the most efficient deployment of the guards is. We have come up with a plan for some reorganization in the security division that is going to require more and better management of our guard force.

Mr. YATES. It occurs to me that I should have asked the Smithsonian when they were before us. I didn't really remember at that time about what had happened to the Gardner Museum. Can pieces from their sculpture garden be lifted by crane and taken away?

Mr. BROWN. I suppose they could. It takes a little doing.

Mr. YATES. What about your Henry Moore in the front of your gallery? It was put there. It could be taken away, couldn't it?

Mr. BROWN. Arnold Schwartzenegger could——[Laughter.]

Mr. YATES. That's right. It does have a couple of holes in it, doesn't it? [Laughter.]

BUILDING EXPANSION

Mr. BROWN. In answer to your question, Mr. Chairman, the other pressing question that we are beginning to face now, and have in a serious way since the budget that we are discussing today was prepared last summer, is the long-range question of our space needs. At our board meeting last week we presented to the board a preliminary report that the original architect—I.M. Pei and Partners—had submitted. They did a very close analysis of the future needs for space, recognizing that we exist in these two buildings and no commission is going to approve adding buildings onto them. They have come up with a very imaginative way of handling it, which I must say was always foreseen to some extent, of building out underground around the south and east sides of the East Building where we do have some land.

We always envisioned that our library would run out of space eventually and our photo archive. We have begun to project when that evil day is coming, and it is coming quite fast.

Mr. YATES. Aren't you going to cut off your view of the Capitol? Aren't you going to cut off the breathing space you now have that makes the Gallery so beautiful?

Mr. BROWN. Luckily, none of this would show above grade. This would all be underground.

Mr. YATES. Really? Oh, that is fascinating.

Mr. BROWN. I'll show you a diagram of it.

Mr. YATES. Does that double the cost?

Mr. BROWN. I don't think so because one thing that is encouraging is that the water table problems we had when we built the East Building are apparently better now than they once were. The area marked in red would be the envelope that one could think of as wrapping around the building below grade. Then, there is a section on that page which shows that it would be triple-decked in some parts and double-decked in others.

Mr. YATES. Have you tested the water tables?

Mr. BROWN. We haven't gotten that far, but the preliminary reports are that it isn't as bad as it was. There has been a subsidence in the water table in that part of town. At any rate, this is still very preliminary, but the needs are tremendous. We have great overcrowding in the offices and great inefficiencies as a result of staffs being split into different parts of the complex. We have a need in the conservation department for our laboratories to have more space for the safety of the objects and for our programs in both science and painting, sculpture, and object conservation.

We've got needs in the education sector, and storage for works of art, and for the exhibition of works of art, and the attraction of future collections. The long-range plan would be to move some of the behind-the-scenes functions that are now in the West Building over to the new space, which would then liberate space for exhibition capability in the West Building, which was built for exhibitions and is so wonderful for exhibitions.

This process started when we built the East Building, and we cleared a lot of offices out of the west end of the ground floor of the West Building to house our sculpture collections and our works on paper. We simply want to rationalize that and carry it to its logical conclusion. This would be at best a six- or eight-year undertaking, so that——

Mr. YATES. How much money are we talking about?

Mr. BROWN. We are talking about some planning money. Did we have a figure?

Ms. EVANS. I think for the next year we had thought that to get us started with the planning process we might want to go as much as up to $1 million to get the detailed conceptual design done and schematic drawings of the space and continue detailed programming of the different spaces within the Gallery. I think for the next year that that was what we were hoping to be able to find to keep the firm continuing on this master plan.

Mr. YATES. How much money was that?

Ms. EVANS. $1 million.

Mr. YATES. What other financial needs do you have that we ought to know about?

NEW POSITIONS

Mr. BROWN. I think everything else is very elaborately detailed in our budget submission, Mr. Chairman. We're happy to speak to any of it. We were allowed by the Office of Management and Budget some 20 new positions next year, so for this budget we are requesting a group of positions which have really been long overdue. Some of them are to take care of backlogs that are mounting up. We're very eager to get going to fill these positions.

Mr. YATES. I've been summoned to a Subcommittee chairmen's meeting on the budget, so I better go to that.

Mr. Atkins, will you take over, please? I'm sorry I can't stay to finish it, but I think we've covered most of it.

If we get through in a hurry, I'll come back, but I don't think I'll be back.

Mr. BROWN. Fairly large subject. [Laughter.]

Thank you, Mr. Chairman.

Mr. ATKINS [acting chairman]. Good morning.

INSURANCE AND INDEMNITY

Mr. BROWN. Good morning.

Mr. ATKINS. Can you tell me a little bit about your increased insurance costs and what kind of impact that has had on your special exhibition program?

Mr. BROWN. We are reeling from this vast jump in the price of art. We have at the moment at the Gallery a total valuation of works of art on loan to us requiring insurance of $1.7 billion. Some of this is covered under the Federal indemnity program. We feel that the reauthorization that is coming up is a wonderful opportunity for the Congress to help maximize the benefits to the American people of the indemnity program without incurring any costs and at minimal risk.

The ceilings are up for restudy, and we hope that while they are at it they push them high enough so that they will really be of benefit, because the indemnity program is one of the best things this Congress has ever done for the art-going public of the United States. The loss experience is so infinitesimal that it has been a benefit——

Mr. ATKINS. You said the indemnity program. You are speaking in specific reference to the indemnity program as it affects you.

Mr. BROWN. We are the major user of it as it turns out.

Mr. ATKINS. Who else is a user?

Mr. BROWN. Every art museum in America has a shot at it. It is very broadly spread geographically. But it is too bad in a show of great international significance—like the Matisse show we have on at the moment which was one of the first joint projects by the Soviet Union and the United States under the new regime over there—it is too bad if that, which is such a vital program, has to knock out some other very important exhibition that is going to some other part of the country by virtue of there not being enough indemnity ceiling to go around.

Mr. ATKINS. How high would you like to see the indemnity ceiling go?

Mr. BROWN. I think it could go to $5 billion. That is a good round number. I think that the Endowment is rethinking what they should be asking for. I talked to someone who came to the indemnity panel meeting a few days ago, who said that they really felt that now was the moment to try to reflect these jumps in art value. It still won't be the same proportion to the cost of art that it was when it was first started. It is not keeping pace with this extraordinary market boom.

Mr. ATKINS. Tell me how increasing to $5 billion for the authorization for that would affect your insurance costs?

Mr. BROWN. It would take a great load off of things, particularly like this Columbus exhibition, the 1492 show that will have many objects of very high value. Another way of doing it would be to grant a special indemnity just for that show, which would then liberate the indemnity ceiling for other institutions around the country.

It wouldn't solve the insurance burden completely because in exhibitions which come only from the United States we do not have access to indemnity and, therefore, a very valuable exhibition like the current Annenberg collection, which came off his walls in Palm Springs, California a couple of weeks ago has no indemnity at all. At least in other shows, like the Bührle collection in the other building which has just come, which is also very expensive, we would be alleviated of some of that burden.

Mr. ATKINS. Are you going to propose to increase the indemnity program to include domestic shows as well as international ones?

Mr. BROWN. We have studied that, and it seems that it may be more complicated than it would be worth. If you were going to try to cover every piece of art that goes from one place to another in this country, we just might not get there from here.

Mr. ATKINS. Tell me the dollar value of what going to the $5 billion ceiling—how would that affect your budget?

Mr. BROWN. We could calculate that for you and submit it for the record.

[The information follows:]

AFFECT OF RAISING INDEMNITY CEILING

We have estimated the savings that would be incurred by raising the indemnity ceiling to $5 billion, and believe results could be significant (assuming individual exhibition ceilings were increased from $125 million to $500 million). For example, in fiscal year 1991 the Gallery has scheduled three exhibitions where total values of the works of art to be lent from abroad range between $700-800 million apiece. These are the Titian, Van Dyke and Swiss Collection exhibitions. It is estimated that a $500 million indemnity for each of these exhibits would save an estimated total of $640,000. In addition, in fiscal year 1992 we estimate that savings of approximtely $320,000 on the Columbus exhibition alone could be achieved if the higher indemnity ceiling were to be enacted.

Mr. BROWN. This year, if we had been given full indemnity on everything, it would have saved us hundreds of thousands of dollars.

Mr. ATKINS. I'll leave the rest of the art questions for the chairman.

You have an increase of $435,000 for water and sewer costs. Last year you requested $397,000, and that was deleted. The D.C. appropriations bill required the Gallery and the Smithsonian to pay those costs from their budget, right?

Mr. BROWN. This is true, and it came as kind of a shock to us.

Mr. ATKINS. What are your current estimates for 1990?

Mr. BROWN. For 1990——

Mr. HERRICK. It's $268,000.

Mr. BROWN. The current estimate is $268,000.

Ms. EVANS. Yes.

Mr. BROWN. That is just January through September.

Mr. ATKINS. Do you want to be indemnified for that, too?

Mr. BROWN. Yes. [Laughter.]

Ms. EVANS. A lovely idea.

Mr. ATKINS. How do you expect to fund that?

Mr. BROWN. We have been asked to absorb that, and so we w nt after the poor National Sculpture Garden again to try to et through to October 1 without going to jail. We would request restoration of that in a future year.

Mr. ATKINS. What is the status of your negotiations with them?

Mr. BROWN. We would be able to do this by your approval on a reprogramming basis. It is deferring the agony with us, and we need the funds restored to the Sculpture Garden account to make it whole. It was really an error, if I dare say so, that the District and the Smithsonian and the Gallery each thought the other was securing appropriations, and so it fell between the stools, and we are stuck now with this bill.

Mr. ATKINS. You were tempted to take the money out of the Sculpture Garden—is that a secret that is going to die with you? Or will you be sending up something to the Committee?

Mr. BROWN. We will be happy to send up a specific reprogramming request.

Mr. ATKINS. When would you expect to have that?

Mr. BROWN. We could do it momentarily.

Mr. ATKINS. That would be helpful if we had it.

Mr. BROWN. We'd be happy to do that.

CONTEMPORARY ART CONSERVATION

Mr. ATKINS. You have a request in for $34,500 for a painting conservator for your contemporary art collection. How many conservators are you going to have once the position is filled?

Mr. BROWN. The total number we can supply.

[The information follows:]

TOTAL CONSERVATORS

With the addition of the 3 new positions requested in 1991, the conservation staff would consist of 32 FTE workyears. Of this total, there are 15 conservators, 5 conservation scientists, 6 conservation technicians, and 6 administrative and secretarial staff.

Mr. BROWN. This is an enormously important specialty, and we have no one on the staff now who has that specific background. Our trustees were quite concerned after reading an article in an art magazine a year or two ago about the desperate problems of 20th century art in terms of their future conservation health in comparison to earlier schools. It is something that I think people are just beginning now to recognize. We all believe in progress, but in terms of the longevity of art techniques the 20th century has been a distinct step backwards.

Mr. ATKINS. Not just in painting. [Laughter.]

Mr. BROWN. If you think about it, in the Renaissance, artists were put out as apprentices in their early teens, and they would have to learn many basic techniques in sort of the "back of the shop"—grinding pigments or learning how to make works of art last—until they were taken into the guild and finally allowed to paint pictures themselves. We don't have that system anymore. We have an atmosphere of experimentation and innovation.

Mr. ATKINS. You want contemporary artists to grind pigments?

Mr. BROWN. I don't know how many of them would continue in the field, but that might be an interesting idea. In their defense, it has been a very exciting time when people have sought to push out boundaries of innovation and experimentation. This started in the earlier part of the century when Braque and Picasso began pasting things—found objects and bits of newspaper, for instance—and

making these collages, of which some of them are very beautiful and now extremely valuable. We all know from last month's newspaper that newsprint is not one of the long-lasting materials. So time and again what has happened is a real threat to the longevity of the objects. As museums this is our responsibility, so we need this expertise as well as the pair of willing hands to do the work. That's how that got in here. We don't have anyone in this field at the moment.

Mr. ATKINS. As a politician and not a painter, I think the decreased longevity of newsprint is a Godsend. [Laughter.]

NATIONAL CONSERVATION CENTER

Mr. ATKINS. Tell me—who is doing the principal research? What is the center for research in 20th century art conservation in the country?

Mr. BROWN. There is a very important person who surfaced as a doctor for the Rothko's in Houston because it turned out that Mark Rothko in his later years was experimenting and using all kinds of untried techniques; this isn't entirely new. Leonardo Da Vinci also was an experimenter. Some of his pictures are almost indecipherable now because he used such experimental materials such as in the Last Supper.

The Museum of Modern Art has, of course, almost the greatest responsibility because they have the greatest collection of 20th century art. There are centers of conservation that have investigated this. We hope ourselves to do some of the scientific research. The Gallery has long been involved—as long as anyone really—in the basic research aspect of conservation that we recognize. That is part of the spectrum, and we have a science department at the National Gallery that is out there trying to find the scientific bases of deterioration.

We are trying to make our contribution. We have interns. We have people who are learning this. We need a hands-on person who really knows how to handle these specific——

Mr. ATKINS. Shouldn't there be a national center for conservation? Maybe even beyond them. I'm presuming that the same techniques and the same scientific basis that you'd use for 20th century art would be appropriate for a broad range of conservation for artifacts as well as for——

Mr. BROWN. It is an idea that has been ventilated from time to time. We feel that the Federal Government, with its involvement in the Smithsonian conservation program and the National Gallery's, if you take those together we in fact have a national center. We have some very important work going on at the Smithsonian, work at the Freer in bronze disease, for example, which they have been the leaders in over at the——

Mr. ATKINS. Which disease?

Mr. BROWN. Bronze disease—ancient bronzes get sick and start dying. It is a terrifying thing to watch. Rutherford Gettins at the Freer started a program and learned more than anybody else in the world about this. Now his findings are used not only nationally but internationally, so that the track record of the Federally-supported conservation labs gives us the equivalent. If you try to put it

off somewhere in one building, you'd have problems getting the art there. One of the advantages we have at the National Gallery is that all of our objects are under the same roof of our complex and can stay in the same temperature and humidity environment as when they're moved to the conservation lab. You're not adding to the risk by shipping them off.

CONSERVATION STAFFING

Mr. ATKINS. Now if this position is filled, will this meet the need that you identified several years ago for increased capacity in conservation?

Mr. BROWN. We actually have a long-term project for our conservation staff, and there will, I think in the outyears, be a few other people. This is our highest priority.

Mr. ATKINS. Does this substantially meet your need? Is this a——

Mr. BROWN. For the 20th century, I think they feel that that——

Mr. MANDLE. This would be a good start. I think that is a better way to put it because that——

Mr. ATKINS. That is for your budget request for the remainder of the 20th century or for your 20th century art?

Mr. MANDLE. It is for the 20th century art position, I think it is safe to say.

Mr. ATKINS. Well, how about for your other—when you would identify the need previously, you would identify it as a broad need for greater capability in the conservation area.

Mr. BROWN. We have been building that up.

Mr. ATKINS. Would this build you up to that level?

Mr. BROWN. Not quite. We still have a few slots.

Mr. ATKINS. What is the long-term projection?

Mr. HERRICK. In this budget, there is an object conservation technician as well, so there is——

Mr. BROWN. That's right. It is a cluster of two. It takes us up to 32 people from 29, so there are three more positions long term that we would need to top off at least the practical aspect.

Mr. ATKINS. Is there something to be said with the incredible increase in the value of these art objects that we are to correspondingly put an investment into conservation?

Mr. BROWN. I think that is a very cogent argument. These are national treasures. You can't go out and replace them. You can't call up Mr. Picasso or Mr. Rembrandt to come do it over.

Mr. ATKINS. But there doesn't seem to be any visibility or urgency to this task, either in your budget or nationally.

Mr. BROWN. Well, if you look at where we started—I mean, when I became director, we had one part-time paintings conservator, and now we have our staff of 29. So I think the Congress has been very receptive to our giving an urgency to this responsibility. There were many reasons why we could coast so long. Most of the objects that we had been given had been treated just before they came, so that they were in relatively good shape. Now time is slipping past, we know more, and we now know how better to treat these.

I agree with you. It is a priority. I think it is going to be a priority both in our science and the basic research. We have a space limitation at the moment, which is the reason that I mentioned earlier

to the Chairman our planning for improved conservation facilities inside the perimeter of the Gallery.

Mr. ATKINS. It just seems to me at the National Gallery that we have got a problem that I would guess would primarily affect public sector holdings in museums or nonprofit museums for the most part. So far the problem—I mean, you pointed out your trustees found out about it from reading some article in an art magazine. I don't know what the article was or which magazine it was.

Mr. BROWN. I'll send you a copy of the article. It is very scary.

Mr. ATKINS. I think it would probably be fair to say that it was, at least for a broader audience, an obscure article and an obscure publication. Would that be——

Mr. BROWN. It was Connoisseur magazine. If that is obscure, it's a——[Laughter.]

Mr. ATKINS. That's not obscure to you, but it is certainly something that is not a magazine that you'd find at your local 7-Eleven.

Mr. BROWN. Right.

PUBLIC CONSERVATION AWARENESS

Mr. ATKINS. It would seem that there is some kind of an obligation to rest some place in the Federal Government, not just the repository for the expertise in the science but also a mission to explain the national importance and urgency of this. Particularly, I think we exist in a large measure in a disposable culture. I think to some measure the attitudes of artists, and collectors and their view of the future is perhaps quite different from what the view was in the Renaissance. Therefore, you are sort of running against cultural trends.

There ought to be some effort to bring to the general consciousness that this is a serious problem, one that needs to be addressed, and one that is interesting enough that there are important scientific breakthroughs that have been developed for other areas—x-ray technologies, and so forth—that would be applicable for this with a fairly small investment.

Mr. BROWN. Well, I hear you, and we certainly concur. The Andrew Mellon Foundation in New York has also taken this seriously. They have helped us, and they have tried to decentralize their support of conservation efforts and awareness around the country. We do have a very active intern program so that we are training people who can go out into that field. Our conservators belong to the national organizations that take this seriously, and we certainly will look to ways in which we can help the general awareness because I think that is an aspect that perhaps we haven't emphasized as much as we should.

Mr. ATKINS. I think it would be a very, very useful endeavor on your part and a real public service in keeping with the national leadership that you have shown in so many other areas.

Mr. BROWN. We have just done a very visible job of conservation on a very valuable painting by Bellini and Titian called "The Feast of the Gods", and we have made a television film on this. I'd be happy to send you a video. I think you'd be interested. It's a real piece of detective work, and it is the kind of thing that is going to help bring—we had a little mini-exhibition on the subject, so that

to the extent that we can in-house, the visitors were made aware of this in a new way. We've gotten very positive feedback from it.

Mr. ATKINS. I see you had a very nice review in the Washington Post.

Okay. Do you have any parting comments for us?

SKYLIGHT REPLACEMENT

Mr. BROWN. I think other than what we have said, I should draw attention probably to prepare you long term that we have been restudying our long-range renovation needs. We have come to you with a skylight problem, which we thought was a $2.5 million problem overall.

Mr. ATKINS. This is in the West Building?

Mr. BROWN. Yes. We now recognize it is a $6 million problem. It doesn't all have to be done right away. We would only be obligating $300,000 next year, but we really have to reroof the building effectively. We have more than two and a half acres of skylight in the West Building.

Mr. ATKINS. Do you have ultraviolet protection?

Mr. BROWN. That is what we don't have and what we need to put in. Also, we need thermopanes so that we can save the Government energy costs, so it is a good investment.

Mr. ATKINS. If you put the thermopanes in, what's the payback period?

Mr. BROWN. I'm not sure. We could——

Ms. EVANS. We haven't yet calculated that. The studies are underway to do that.

Mr. BROWN. The temperatures in the so-called attic between the laylights that form the visual ceiling to the galleries and the actual skylights can go up on a Washington summer afternoon to 150 degrees. We don't air condition that. We just try to blow it out with fans to get it down to where we can start air conditioning it. It is like your car in the parking lot with a lot of glass. It is a greenhouse effect. The thermopane is going to be worth its weight.

Mr. ATKINS. There are substantial——

Mr. YATES. Mr. Chairman, would you yield?

Mr. ATKINS. I'd be happy to yield.

Mr. YATES. I figure Carter needed an audience, so I had a group of kids follow me in. [Laughter.]

Mr. ATKINS. What's the difference between your original estimate and your new——

Mr. BROWN. About $3.5 million.

Mr. ATKINS. No, no, no. The math I can do. [Laughter.]

What happened on the way from $2.5 million to $6 million?

Ms. EVANS. Mr. Chairman, our first estimate was based on the presumption that we would be replacing with the single pane. Further research did reveal that the double pane with a laminate in between to protect from ultraviolet, and so forth, is a sufficiently better technology than what had been used at the time that the West Building was constructed. It is going to be well worth our while to pursue this replacement project on that assumption that it would be a double-paned glass with a laminate in between.

Mr. YATES. I should explain to our witnesses first that these are members of the Solomon Schechter School in the city of Chicago in my district, who are visiting Washington and are learning about the operations of our Government. As a matter of fact, I had them in my office earlier today, and I learned about the operations of our Government from them. [Laughter.]

[Mr. Yates converses with visiting students briefly.]

Mr. ATKINS. We were just winding up, Mr. Chairman.

Mr. YATES. All right. I'm glad. Thank you. I finished my meeting.

Anything else you want to tell us before you adjourn? Or have you exhausted yourself?

Oh, we have these books. Thank you very much.

Mr. BROWN. We have some very exciting exhibitions on at the moment, Mr. Chairman, as you probably know.

Mr. YATES. You surely do. But you don't have catalogs from those exhibitions that I could give to Mr. Atkins.

Mr. HERRICK. Mr. Chairman, I think that annual report that you have there—the gray one, the fourth one——

Ms. EVANS. The small one.

Mr. YATES. Okay.

Mr. BROWN. This is hot off the presses.

Mr. YATES. Give us back the old one. [Laughter.]

Mr. BROWN. That wasn't a bad year either. [Laughter.]

Mr. YATES. Thank you very much.

Mr. BROWN. Thank you.

Mr. YATES. We appreciate that.

[Questions and answers for the record follow:]

ADDITIONAL COMMITTEE QUESTIONS

PAY COST INCREASES

1. Question: The request for the National Gallery of Art for FY 1991 is $48,903,000, an increase of $6,386,000, or about 14%. Included is an increase of $220,000 for the Federal Employees Retirement System. What is the basis for this increase, after the decrease of $66,000 estimated for FY 1990?

Answer: The basis for the increase of $220,000 in FY 1991 for the Federal Employees Retirement System (FERS) is the fact that each year, as new employees come on board, about 95% of them are either new government employees who are required to be in the FERS retirement system or transfer employees who are already in the FERS system. As a result, a higher percentage of our total employment is in the FERS system, thereby increasing Gallery federal retirement system costs. The estimated decrease in FY 1990 was based upon a lower estimated percentage of employees being in the FERS system than has actually occurred.

2. Question: Is the 1990 estimate of decreased costs still valid?

Answer: The estimated 1990 decrease is not still valid. That amount was calculated based on an estimated 26% of all employees being in the FERS system when, in fact, we currently have 34% of all employees in the FERS Retirement System.

3. Question: There is an increase of $378,000, which represents 3/4 year funding of 50% of a projected 3.5% pay raise in January, 1991. What is the balance of costs for this purpose that will be absorbed?

Answer: The balance of the projected 3.5% pay raise in January, 1991 that will be absorbed is $378,000.

4. Question: What will be the impact of absorbing these costs?

Answer: The impact of absorbing this pay raise will probably consist of a combination of the following: eliminate summer evening hours, institute a modified job freeze, reduce the summer intern program, and hope for mild weather again to save on utilities.

GRAMM-RUDMAN SEQUESTER

5. Question: In FY 1990, the amount sequestered under Gramm-Rudman is $564,000, from a base of $40,712,000. What impact has this had on your operations?

Answer: The impact of the $564,000 Gramm-Rudman sequester on our operations was the elimination of summer evening hours, cutting our summer intern program in half, and reducing by half the funding for the development of new extension service programs. Other adverse effects were a modified job freeze, a slowing of promotions, and the release of some temporary employees.

TRAVEL AND TRANSPORTATION

6. Question: The request for travel of persons shows an increase of $64,000, or 27%, and for transportation of things, an increase of $207,000, or 33%. Most of the increase is related to the "Circa 1492" exhibition, for the Columbus Quincentenary. Why did you spend significantly less than planned in these categories in 1989 (see page 8-2, which shows obligations of $179,000 versus $240,000 for travel of persons, and $193,000 versus $471,000 for transportation of things)?

Answer: Most of the travel and transportation funding we have in any given year relates to special exhibitions. It is difficult to estimate accurately what will be obligated in the way of travel and transportation for the 15 to 20 exhibitions we have each year because the scope of many of the exhibitions is constantly evolving. In 1989, actual costs ran below estimates because of a combination of the following: corporate sponsorship paying for some of the travel and transportation; an overseas sponsor getting their country's largest airlines to transport art work without costs to the Gallery; and exhibitions finding partners with other U.S. museums with much of the transportation and courier travel costs paid for by corporate sponsors for that. We will not share the 1492 show, however, and believe our projected estimates are reasonable.

7. Question: Why are you showing expected obligations of $254,000 for travel and $778,000 for transportation in FY 1991, compared to budget authority of $304,000 and $838,000 respectively (page 1-20)?

Answer: Since the obligations incurred on exhibitions opening in the summer and fall will cross over two fiscal years, some of the no-year funding received, including the carry forward, will be booked at the end of one fiscal year and some at the beginning of the next fiscal year. The Circa 1492 Columbus exhibition is a good example of this. The show opens in October 1991, which is the beginning of fiscal year 1992. However, construction funds for the exhibit site will probably be obligated at the beginning of the summer of 1991 and objects for the show will be transported to the Gallery before the end of the fiscal year. Subsequently, when the show closes in February 1992, there will be costs of deinstallation and transportation of the objects back to the country of ownership.

8. Question: What is the basis for assuming an increase of $14,000 in general purpose travel?

Answer: An increase of $14,000, or about 10%, is requested to keep up with the general rise in travel costs, and to fulfill incremental requirements, particularly those of cultivation of donors of works of art and funds, and the screening of works of art and books offered for sale or gift. Professional travel (by conservators, curators, librarians, etc.) continues to be essential for research in connection with publishing the systematic catalogues of all the Gallery's collections which is accelerating.

9. Question: There is an increase of $7,000 for transporting works of art to and from the Gallery for consideration for possible purchase. What costs have been incurred for this purpose in the last year?

Answer: Last year we incurred $26,000 for transporting works of art to and from the Gallery for consideration for possible purchase. However, we also incurred an additional $17,000 for transporting works of art on loan for display with our permanent collection.

10. Question: How have you arrived at the estimate of $7,000?

Answer: Our total one-year operating budget for transportation is $71,000. The $7,000 is an estimated 10% increase necessary to start catching up with inflation, since this budget amount has not changed in the last several years, and to cover an increased number of works of art coming to the Gallery in connection with the 50th Anniversary as gifts or possible purchases.

WATER AND SEWER COSTS

11. Question: Under rents, communications and utilities, there is an increase of $435,000 for water and sewer costs. Last year, the request for this purpose of $397,000 was deleted, but the D.C. Appropriations Act required the Gallery and Smithsonian to pay these costs from their budgets. How was the 1991 amount for this purpose determined?

Answer: We estimated the usage for FY 1990 based on actual usage in FY 1988 and FY 1989 and multiplied the usage by the pending rate supplied to us by the District of Columbia's Bureau of Water Measurement and Billing.

GUARD RECRUITMENT

12. Question: On page 1-29, there is an increase of $32,000 for security services, described as the National Crime Center access and guard recruitment agreement with the Smithsonian Institution. How exactly will this increase be used, and what is involved in the National Crime Center access and the agreement with the Smithsonian?

Answer: An increase of $29,000 is requested for security guard recruitment. The Smithsonian Institution has been delegated examining authority from the Office of Personnel Management to qualify individuals seeking permanent positions as security guards. The Gallery has agreed to pay the Smithsonian a fee of $29,000 to cover some of their salary costs in exchange for their support in qualifying individuals applying to be security guards at the Gallery. The Gallery is aggressively trying to improve its ability to attract talented and qualified individuals to its security ranks, yet, working through OPM, we have been limited to those candidates who had already established themselves on the register. Some of those candidates have been on the register for a very long time, yet because of personal or other problems have not been hired by any agency. It was hoped that the arrangement with the Smithsonian would allow the Gallery to attract a wider range of applicants, since we could have offered them permanent positions not just temporary ones, and we would have been able to make some of our temporary guards permanent employees, thereby increasing their incentive to stay at the Gallery. However, after a one-year trial period with the Smithsonian ending in April of this year, we were disappointed with the results. We now believe it to be more effective for the Gallery to establish its own security recruitment unit, and the funding previously

budgeted toward the shared effort with the Smithsonian will now be directed toward the increased cost of the Gallery's in-house security recruitment effort.

It is our intent to take full advantage of our telecommunications access to the National Crime Information Center's files when screening prospective new employees prior to employment with the Gallery. While this network charge will entail a cost of $3,000 for the year, it will be a substantial benefit to the Gallery's security operation and should reduce our employee turnover considerably since applicants with criminal records will be picked up immediately before the expense and effort of processing them has begun.

BUDGET AUTHORITY VERSUS ACTUAL FY 1989

13. Question: On page 3-1, in the column showing actual costs for FY 1989, you show actuals of $10,437,000 for operation and maintenance, compared to estimates of $11,322,000; and actuals of $5,480,000 for general administration versus estimates of $5,070,000. What are the reasons for the differences between the budget authority provided, and the actual costs in these two programs?

Answer: The majority of the difference between budget authority and actual costs for these two programs relates to our approved reprogramming request of August 9, 1989. This request asked for a $600,000 reprogramming from the operations and maintenance program to meet the 1989 pay raise needs of other programs. This included $85,000 for the 1989 pay raise for the General Administration program and $160,000 for payroll processing cost increases relating to higher fees assessed by Treasury, and the conversion costs necessary to switch from the discontinued Treasury system to the Department of Agriculture payroll system. Another $165,000 of underage in the operations and maintenance program went toward increased costs of telephone, postage and office supplies, for all of which we requested budget increases in fiscal year 1991.

CARE AND UTILIZATION OF ART COLLECTIONS

14. Question: The increase for care and utilization of art collections is $3,009,000 or about 20%. Included is $304,000 for 13 new positions, including a secretary for the Graphic Arts Department. Why was the East Building secretary position transferred to the West Building?

Answer: We rebuilt and opened a new public study room to serve the public for American and contemporary prints and drawings. This material, which has been coming in by gift at an increased pace, is largely of a very substantial scale, and we outgrew the facility in the East Building. In order to operate the new facility, the East Building secretary position was transferred to the West Building.

15. Question: How many such positions are there in the West Building department?

Answer: That is the only graphic arts department secretarial position in the West Building.

16. Question: How many secretaries do you now have in the conservation department?

Answer: Presently there are three secretaries and one clerical position for requisition processing and budget tracking, a total of four.

17. Question: What is the total staffing of this department?

Answer: Actually, the conservation division is composed of six departments: painting conservation, paper conservation, object conservation, textile conservation, scientific research and a department for loans and exhibitions. The total staff, including interns, fellows, technicians, conservators and contract specialists, is forty-six, of which twenty-nine are full-time federal positions. The remaining positions are funded by foundation grants sought by the Gallery to augment its conservation program.

18. Question: There is a request of $23,000 for a researcher and writer for the development office. How are the activities of this office distinguished from those of the corporate relations office?

Answer: The activities of the corporate relations office are directed primarily toward seeking support of major U.S. and international corporations for the Gallery's special exhibitions program. Corporate support provides the driving force for the Gallery's exhibition program. With few exceptions, the funds come primarily from corporate advertising and promotion budgets and do not represent charitable or foundation giving. Within this environment, the Gallery established a separate corporate relations office which has focused on the cultivation of a close working client relationship with corporations to help meet their needs.

The approach described in the previous paragraph differs from the development office which, in contrast, focuses its attention on individuals and foundations, actively seeking support from those sources for a wide variety of Gallery programs: art acquisition, scholarship, publications, conservation, the library, etc. The development office also manages the Gallery's membership program, The Circle of the National Gallery of Art. The significant increase in both corporate underwriting and foundation and individual giving justifies this structure.

19. Question: There is a request of $19,000 for an administrative assistant for the public programs department. How many such positions are there currently in this department, among the 28 existing positions?

Answer: There are currently no administrative assistant positions in the department.

20. Question: There is a request of $23,000 for a program production assistant in the TV studio. You state (page 4-8) that your in-house capability in this area should produce long-term savings in the amount required for outside contracting. Do you have any examples of this to date?

Answer: An example is a prospective audio-visual presentation for the 1991 Pope exhibition which would cost $40,000 with an in-house production assistant compared to an estimated $100,000 otherwise. Funds for these

types of audio-visual presentations are raised from the private sector. In addition, overall efficiency will be enhanced by having two individuals in the television studio instead of the one person now available. We believe future programs will be able to be produced at a lower expense than would otherwise be the case.

21. Question: There is a request of $13,500 for a library clerk. How successful do you think you will be in filling this position, given your statement (page 4-9) regarding the extraordinary lack of candidates?

Answer: We expect to be successful in attracting a qualified GS-5 library clerk at an annual salary of $17,000. The lack of candidates is for lower-graded student aides which have been difficult to find, primarily because they are temporary, part-time positions.

22. Question: There is a request of $25,000 for a concert supervisor in the music program. What are the two current positions in this program and are they Federally-funded?

Answer: The two current positions in the music program are the music director and a secretary, both of which are Federally-funded.

23. Question: There is a request of $33,000 for a public information specialist. Why is it necessary for this position to be a GS-12?

Answer: The information office currently employs five people in addition to the information officer. Two of these are public information specialists at the GS-12 level. The remaining three are support staff. The specialists produce extensive press materials for more than twenty special exhibitions per year in addition to announcements of new acquisitions, the music program, education programs and other Gallery news. They plan and manage no fewer than thirty press events each year. In order to obtain a person with the degree of experience needed to handle the position, we must offer a salary competitive with the private sector. This salary is approximately the equivalent of the salary of a GS-12.

24. Question: Provide a breakdown of the existing six positions in this office?

Answer: The existing six positions in this office consist of the following: a GS-15 information officer, two GS-12 public information specialists, a GS-7 program assistant, and two GS-5 secretaries.

25. Question: Under other services, there is an increase of $20,000 for art restoration to contract for specialists in such areas as twentieth century art. Since you are proposing to add a position for a painting conservator with expertise in twentieth century art, why is this increase for contracted services necessary?

Answer: The Gallery's twentieth century collection includes a broad spectrum of works of art, including photographs. Part of this increase is to aid with the preservation and conservation needs of these works. Additionally, analytical services which are not available within the National Gallery are contracted from outside sources. The expansion into

twentieth century art will require additional analytical services for modern materials.

26. Question: Under supplies and materials, there is an increase of $5,000 for subscription costs. How often do you review journal and periodical usage to determine if subscriptions should be dropped.

Answer: All subscriptions are reviewed annually before renewal. The review is not only for usage but also for relevance to our art historical coverage. We also take into account journal titles owned by other Washington libraries in an attempt to avoid duplication.

27. Question: Have any been dropped in the past year?

Answer: Yes, six titles were dropped from our subscription list from FY 1989 to FY 1990.

28. Question: What is the reason for the $5,000 decrease in one-year supplies and materials funding?

Answer: The decrease in one-year supplies and materials funding simply reflects a reduction in the estimated supply requirement of our installation and design department.

29. Question: Under equipment, there is an increase of $10,000 for library book purchases. How was this amount determined?

Answer: Several factors determine the amount needed for book purchases. Among those are the number of titles expected to be published in the coming year; anticipated changes in average cost of art books; and the number of titles actually purchased in the past year. The number of anticipated titles and expected cost is found in Publishers Weekly which annually surveys the publishing industry. From this information, trends can be predicted. In addition, the future exhibition schedule and changes in curatorial needs are taken into account. This is an inexact science, but has proved reasonably reliable as a predictor of future needs.

These factors led us to conclude that a 12% increase ($18,000) was actually needed, but this was reduced to 7% (or $10,000) because we are also successful in attracting a certain percentage of titles as donations. We generally ask for less than we would need because of our active gift program.

30. Question: There is a request of $85,000 for a graphics computer. How is the work which will be accomplished with this computer now accomplished and at what annual cost?

Answer: The work which will be accomplished by the graphics computer is presently carried out for drawings, production of maquettes, and silk screen processing in the exhibition design department. Virtually all of the drawings used in exhibition design and installation are drawn by hand. The drawings include all basic floor plans, construction drawings, demolition plans, reflected ceiling plans, elevations, and case and molding details. The construction drawings can take at least five days to complete if the

exhibition is simple, weeks if the exhibition is complex. Usually the basic floor plans, demolition plans and reflected ceiling plans each require a few days. Completing elevations, molding and case details can take several days each. Since the department produces approximately 22 exhibitions each year, the drawings can amount to more than two hundred.

Maquettes, or small scale reproductions of art work, are presently produced with a stat camera. Actual measurements of the pieces must be calculated to determine the proper reduction necessary to achieve the scale model. The images are then photographed, developed and processed.

The silkscreen shop uses a similar process to produce designs for signage, text layouts and banners. All of this work is carried out by departmental staff members using a stat camera. The stat camera uses various photographic papers and chemicals to produce the images which are quite costly. Much of the layout work is laborious and of a repetitious nature.

To perform all of the work mentioned above, we utilize two draftspeople, one maquette maker and graphics designers. The staff time and the materials, equipment and necessary equipment repairs total approximately $135,000 annually. The acquisition of the computer would possibly eliminate the maquette maker position, as well as some costs of supplies and equipment.

31. Question: What are the benefits of acquiring the computer?

Answer: Since most of the drawings, especially the floor plans, are of a repetitious nature, the computer will eliminate the need to draw the same areas over and over again. Each area being installed with an exhibition requires at least three floor plans, and the areas can total as many as thirty-two. With the computer system envisioned, the basic floor plans would be entered into the computer once and then pulled up and altered as necessary. Walls, baffles, cases or other components would be easily inserted, moved or deleted with a minimum effort. We would also plot elevations and case details on the computer, again allowing for changes and the opportunity to view several different representations with minimal effort. These features are tremendous time savers.

We would also record on the computer all of the molding profiles (which number over one hundred) used in the installations. This would then allow us to pull up and print the profiles in any combination desired, which would eliminate their repetitious drawing.

The computer would perform the reduction calculations necessary when working with maquettes, scan and reproduce the images automatically. This would greatly reduce the time needed to calculate and produce maquettes, and eliminate the need to work with photographic chemicals.

Our silkscreen shop would benefit tremendously from a computer which includes an automatic graphics system which would save staff time, reduce the need for expensive supplies and papers, and again eliminate the need to use photographic chemicals. The system would facilitate the design of exhibition posters and signage by enabling the staff to scan images, crop

borders and select specific details as desired in a much more expeditious manner. The computer would also allow for a layout of type and its selection. We would be able to lay out graphic panels which include quantities of text, diagrams, maps and/or photographs, enabling the specifying of type and image sizes and eliminating the need to repeat any work. High quality, near-photographic images would be produced saving the cost of producing expensive color prints for poster mockups.

While the computer has its own cost, its acquisition will reduce costs in other areas such as materials and equipment necessary as well as staff time, allowing our personnel more flexibility to explore other design areas. As the National Gallery of Art is on the cutting edge of exhibition design and installation, it certainly makes sense to automate its design procedures in order to keep current with the architectural and graphic designing methods found elsewhere. Many students and potential employees are being trained on and are using these systems in their class work. An automated system will enable the Gallery staff to review other design work in both buildings such as renovation and remodeling projects. The Gallery will be given the opportunity to carry out these tasks in a far more efficient and effective manner.

32. Question: With regard to the request of $5,000 to purchase a plexi-edge finisher, will this result in offsetting savings?

Answer: The plexi-edge finisher would save a tremendous amount of time now needed when plexiglas edges are visible, as in vitrines, case inserts, and book cradles. Presently, when the plexiglas is cut, it must be sanded smooth and then polished with a resin and a buffer. This process is now done completely by hand and takes a great deal of time. An edge finisher would greatly reduce the manpower needed, cutting the costs of contractor labor. We will also be able to fabricate some of our vitrines which will save us from purchasing them outright.

33. Question: How many cabinets were purchased recently for the slide library, for which $10,000 is requested for additional cabinets?

Answer: We purchased three slide cabinets.

34. Question: When is it estimated that these already purchased cabinets will be fully utilized?

Answer: They are already fully utilized, hence the request for additional cabinets.

35. Question: Explain what is involved in the $20,000 for the library's computer hardware expansion.

Answer: The library automation system has proved to be more versatile than expected. It is now used by two additional Gallery departments for circulation and inventory control of files and visual materials. The computer, as it is currently configured, will accommodate 48 terminals. The $20,000 will cover a hardware attachment that will enable us to increase the number of terminals to 60. The additional uses of the system were unanticipated but welcome, as it reduces the need for other stand-alone systems for these offices.

SPECIAL EXHIBITIONS

36. Question: The request for special exhibition funding is $4,370,000, an increase of $1,500,000. Is all of the increase related to the Circa 1492 Columbus exhibit?

Answer: Yes. We were given $500,000 in FY 1990 for the Circa 1492 Columbus exhibition and are requesting another $2,000,000 in FY 1991.

37. Question: Why doesn't your 1990 estimate of Federal funding ($3,101,000, page 4-22) reflect the $500,000 added by Congress last year for the Columbus exhibit (since the 1990 estimate last year before the add-on was $3,184,000)?

Answer: The 1990 estimate of Federal funding does not reflect the $500,000 added by Congress last year because of the accounting methods we use for special exhibitions. In 1986 the Gallery changed its method of accounting for special exhibitions from the cash to the more generally accepted accrual method of accounting for the purpose of improving financial reporting of the exhibition program. The total expenses of an exhibition are deferred to the year in which the exhibition is mounted and shown to the public. Thus, expenses being incurred today for the Circa 1492 Columbus exhibition will be deferred until FY 1992, the fiscal year in which it opens.

38. Question: What was the carryover of special exhibition funding at the beginning of FY 1990 and how did this compare to a year earlier?

Answer: The carryover of special exhibition funding at the beginning of FY 1990 was $1,932,036. The carryover at the beginning of FY 1989 was $1,849,563.

39. Question: The increase consists of $50,000 for travel, $200,000 for transportation, $900,000 for services, and $350,000 for supplies and materials. Please provide a detailed description of how these increases will be used in FY 1991, and what the anticipated costs will be in FY 1992.

Answer: The total budget of the 1492 exhibition is $7.1 million of which federal appropriations in FY 1990 and FY 1991 amount to $2.5 million or 35%. At the time at which the budget is presented, it is difficult to know how much exhibition money will be spent in each object class. However, federal support is usually used for the construction and installation of the exhibit and may be used for travel and transportation to get the objects to and from the exhibit. The $250,000 was an estimate of part of the costs of shipping over 400 works of art, accompanied by couriers, from twenty different countries around the world, including many from the Far East, to Washington, D.C. The increase in services and supplies will cover part of the cost of purchasing materials and paying for construction of 25,000 square feet of exhibition space to install the exhibition.

Due to our accounting method previously mentioned of deferring all expenses until the year of the exhibit, we haven't broken out separately the specific costs in FY 1992. These costs fall within our total budget of $7.1 million, and we don't plan on seeking any additional federal funds.

40. Question: Why have the costs for the special exhibition department increased by $50,000 to $225,000?

Answer: Special exhibition department costs are basically staffing costs that aren't clearly chargeable to a given exhibition. In FY 1990 lower graded visitor services staff are now being charged to our non-federal corporate sponsor funding instead of federal exhibition funding. They are being replaced by higher graded exhibit specialist staff for the installation and design department who are being charged to federal exhibition funding.

OPERATIONS AND MAINTENANCE

41. Question: The request for operations and maintenance is $14,971,000, an increase of $1,810,000. Included within this amount is a decrease of $192,000 in steam and electricity costs. For electricity costs, since both usage and costs continued to decline in 1989 well below your estimates, why do you think both will increase significantly again in 1990?

Answer: The rationale for thinking that usage and costs would increase in FY 1990 while they continued to decline in FY 1989 was that we did not expect the weather to remain as unusually mild as it was in FY 1989. We had another very mild fall and winter in FY 1989 and didn't have to start up the refrigeration compressors for approximately two of these months. We also experienced the mildest summer weather we have had in years in this area, and summer is a peak usage period for electricity because the air conditioning compressors are on constantly during the summer.

42. Question: In particular, what is the basis for the estimated increase in the electricity rate for 1990, and the further increase in 1991, compared to 1989?

Answer: The average rate per kilowatt hour includes adjustments for fuel costs, summer surcharges and any pending rate increases requested by PEPCO. The costs of fuel have risen in the last year. PEPCO added an extra month of the summer surcharge (an estimated $60,000) which would cause an annualized 3.2% average rate increase. In light of the fact that PEPCO was given a 2.6% rate decrease in January 1989 instead of the 5.2% increase requested, it is just a matter of time before PEPCO receives a rate increase. PEPCO currently has pending a 6.7% rate increase which was requested in September 1989.

43. Question: Do you still expect steam usage to increase by 14% in 1990?

Answer: No. Due to the continued mild fall and winter weather, we anticipate a decrease in steam costs of about 8% which will help pay for the 1990 pay raise absorption and the absorption of the increased cost of the January 1990 health benefits increase.

44. Question: An increase of $99,000 is requested for real property repair, alterations, and maintenance, for service contracts. What activities are funded under this category, compared to the $445,000 included under supplies and materials for repair of building and fixed equipment?

Answer: The NGA real property category includes contractual services for the repair, alteration or maintenance of the buildings and grounds. The following activities are funded under this category: trash removal contract, pest control contract, window washing contract, elevator/moving walkway repairs, air conditioning repairs, and fire protection system repairs. The requested $99,000 increase in the real property category includes services for maintenance and repairs that the Gallery must contract to complete.

In contrast, the NGA supplies and materials category includes all commodities which are (1) ordinarily consumed or expended within one year after they are put into use, or (2) used in the process of construction or manufacturing, or (3) used to form a minor part of equipment or real property. The following are examples of supplies and materials for the repair of the building and its fixed equipment: lumber, paint, nails/screws, glue, marble/masonry materials, carpentry hardware, air conditioning repair parts, plumbing repair parts, and electrical repair parts.

45. Question: Provide a three-year breakdown showing the costs for service contracts, and explaining the reasons for any increases.

Answer: The following is a breakdown of costs by year for service contracts identified under real property in the previous question: FY 87 - $279,000, FY 88 - $354,000, FY 89 - $371,000. During the past few years the Gallery has not significantly increased this services line item for preventive maintenance and repair of its buildings and fixed equipment, yet the cost to contract for these services continues to increase each year with inflation and as facilities grow older. The costs to repair mechanical and electrical systems, especially in the 50-year-old West Building, continue to increase each year. The requested $99,000 in additional funds will help the Gallery improve preventive maintenance and keep future deferred major maintenance and emergency maintenance costs down.

REPAIR, RESTORATION AND RENOVATION PROGRAM

46. Question: The request for repair, restoration and renovation of buildings is $2,805,000, an increase of $1,000,000. No new funds are included for the Sculpture Garden, although $300,000 of existing funds are planned to be spent on this project. Last year the budget talked of plans to have the Garden ready to open by June of 1991. What is your current estimate of when the Garden might be completed and opened?

Answer: While design work for the National Sculpture Garden is actively underway, we have decided that approaching potential donors about support for the Sculpture Garden during the same period that we were requesting contributions in honor of our 50th Anniversary in 1991 would not be effective. Therefore, we now plan to open the Sculpture Garden in the fall of 1993.

47. Question: How exactly was the $75,000 spent in 1989 used, and how will you use the $300,000 planned for 1990 and 1991?

Answer: At the time the FY 1990 budget submission was prepared, our estimate was that the services of a design consultant, Mr. Bill Lacy, would cost the full $75,000. By early FY 1990, however, he had been able to conclude his work on the Gallery's behalf for only $28,959. An additional $313.00 was spent on aerial photographs of the Sculpture Garden site, for a total net outlay in FY 1989 of $29,272.

The $300,000 anticipated expenditures in FY 1990 and FY 1991 will be spent primarily on design fees for the landscape designers and architects, and on-site survey and investigation costs.

48. Question: Do you still expect to use these amounts (given that you planned to spend $760,000 in 1989?)

Answer: At present, we anticipate FY 1990 expenditures will be approximately $200,000 to $250,000, and are still projecting $300,000 in FY 91 expenditures.

49. Question: The bulk of the requested increase is for remodeling projects ($1,464,000, up from $884,000) and energy management ($460,000, up from $1,000). Why have you reduced your plans for energy management spending in 1990 so significantly (from an original estimate a year ago of $400,000 to the current estimate of $1,000)?

Answer: We had planned to spend $400,000 in FY 1991 to purchase phase I of an automated building energy management system. We redirected this money to more urgent uses including emergency elevator and air conditioning repairs and asbestos abatement. We still plan to make this expenditure but it has had to be postponed.

50. Question: What is the reason the remodeling line for 1990 has increased to $884,000, from $400,000 a year ago?

Answer: Beginning in 1989, the Gallery's management initiated a process for annual reevaluation of priorities for our renovation funds to ensure that the expenditure of these funds is in line with the most up-to-date review of the Gallery's overall priorities. With initial budgets prepared almost a year and a half before the funds may begin to be expended, the Gallery has found that this sort of reevaluation is essential to making the best use of our available funds. This process in no way alters the total amount of funds appropriated, but it can, and has, resulted in some changes to the timing and priorities attached to certain projects.

As a result of this reevaluation of priorities, most of the projects originally listed for FY 1990 were deferred to later years and a new list of remodeling projects totaling $764,000 were included on pages 5-16 and 5-17 of our submission. Staff salaries of $120,000 account for the balance of the $884,000.

51. Question: What is the difference in the total estimates for remodeling projects, as shown on page 5-17, compared to the table on page 5-10?

Answer: The difference between these two totals is the $120,000 budgeted for certain architect's office staff salaries which are paid out of renovation funds.

52. Question: Also, explain the differences between the total cost estimates for the program, when the major projects on page 5-18 are included.

Answer: The major projects costs appear in the totals listed on page 5-10, but also are shown under the classification or element of the renovation program that best characterizes the nature of the work to be done. For example, the $325,000 in estimated environmental costs in FY 1990 shown on page 5-10 is comprised of the $200,000 for asbestos abatement and the $125,000 for shop ventilation work, both of which appear on the major projects list. Of the other major projects, the National Sculpture Garden costs appear under roman numeral II on page 5-10, while the costs for the West Building skylights and the elevator renovations appear respectively under the totals on page 5-10 of remodeling and general repairs. Because only the largest individual projects were highlighted for inclusion in the "major projects" chart on page 5-18, the totals by category on page 5-10 are usually smaller than the project costs shown on page 5-18.

53. Question: What else was included in environmental work in 1989, for which $112,000 was spent, in addition to the $1,200 emergency asbestos work discussed on page 5-11?

Answer: The balance of the $112,000 was spent on our asbestos survey, asbestos abatement, and related air monitoring.

54. Question: Will the $200,000 you plan to spend per year for asbestos abatement be adequate to avoid health and safety problems?

Answer: As mentioned in previous testimony, the Gallery has had an engineering study performed to determine conclusively the location and potential hazard of asbestos in our facilities. The results of this study showed very little asbestos to be of the category labelled "imminent hazard" and, with expenditures of between $100,000 and $200,000 per year for the next approximately 10 to 15 years, the engineers believe that we can complete the necessary abatement work in a manner that will avoid any health and safety problems. This pace of work is reflected in the current budget submission. In addition, our policy continues to be that any asbestos that must be disturbed ahead of this schedule (e.g., because of a renovation project) will be dealt with immediately and according to the most current health and safety regulations.

55. Question: Under remodeling, you show $110,000 for guard locker room renovations. Did you spend the $150,000 you planned to spend for this purpose in 1989?

Answer: No, this project was not completed in FY 1989. As a result of the Gallery's ongoing master planning effort, it was decided that the existing West Building ground floor locker room areas would be far more useful for public programs and/or Gallery office space. The availability of daylight in much of this space, as well as location of the space near galleries, contributed to this decision. It was also determined that a far more efficient and suitable locker room facility can be designed on the concourse level of the connecting link in a space less obstructed by existing mechanical and electrical rooms and corridors.

56. Question: What is the total cost of this effort?

Answer: There was no expenditure on this project in FY 1989. However, lockers were purchased in FY 1988 for $50,000 and are being stored in the warehouse until the new space is ready for their installation. The total remaining cost of this effort is estimated to be $150,000 and is currently scheduled for FY 91.

57. Question: What is involved in the remodeling of the information room to create a focus gallery, for which $258,000 is included?

Answer: The purpose of the remodeling of the old and ineffective information room is threefold: to improve orientation for visitors to the Gallery; to create a theatre for screening audio-visual programs on the Gallery's history and permanent collection; and to transform an adjoining storage area into an exhibition space for small Dutch paintings. The changes envisioned require significantly altering existing electrical and lighting systems as well as air handling mechanisms, relocating an existing fire alarm system, redesigning the information desk, planning for the use of new interactive computer technologies, designing and installing shelving as well as a large, wall-size floor plan of the Gallery with illustrations of highlights from the collection, designing a multi-purpose projection booth for screening film, video, and multi-image slide programs, designing and installing a framework for the screen, constructing a podium and seating for a minimum of forty people, installing new telephones, carpeting, curtains for the window and in front of the screen, and replastering and repainting the walls.

PROTECTION OF BUILDINGS, GROUNDS AND CONTENTS

58. Question: The request for protection of buildings, grounds and contents is $9,582,000, an increase of $777,000. Last summer, the Director wrote to Senate and House Committees seeking legislation to extend the special police authority of the Smithsonian and the Gallery, to allow guards to be armed while escorting shipments of art to and from these locations. Has this legislation been introduced?

Answer: To date, no legislation has been formally introduced. Discussions with the legislative committees and the Justice Department are still underway.

59. Question: What is its status?

Answer: On July 19, 1989, a draft of the "special police" legislation, which would also extend the Gallery's special police jurisdiction across Seventh Street to the National Sculpture Garden and to other areas under the control of the Gallery, went to the Subcommittee on Libraries and Memorials of House Administration and to the Senate Rules Committee. A copy was also sent to the appropriate office at the Justice Department. The draft would amend the existing legislation both for the Gallery and for the Smithsonian.

60. Question: There is a request of $35,000 for two positions, a projectionist and audio-visual services assistant. How many positions are there currently in this area? Provide a listing for the report.

Answer: Current full-time permanent positions in this area include a supervisory audio-visual services specialist at GS-12, a projectionist at WG-7, and a recording engineer at WG-10.

61. Question: An increase of $13,000 is requested for the maintenance of the Gallery's security console system. How is this maintenance currently accomplished?

Answer: An increase of $13,000 is requested for the maintenance of the Gallery's security console system. $5,000 of this increase is required to pay for a maintenance contract to service the computer hardware in the Security Console Room. Annual maintenance of the software programs for this same system will total an additional $8,000.

Currently maintenance of the Gallery's security console system is performed by four vendors under annual maintenance contracts. Additional maintenance support is provided by the Gallery's electronics shop.

62. Question: There is a request of $29,000 to help pay the salary costs of the Smithsonian, which has been delegated authority from OPM to qualify individuals seeking permanent positions as security guards. When has or will the Smithsonian begin this effort?

Answer: This effort was begun in April 1989, and the one-year trial period for the combined effort was completed in April 1990. The Gallery is aggressively trying to improve its ability to attract talented and qualified individuals to the security ranks. Initially we explored with the Smithsonian Institution an arrangement where we would help support their recruitment and examination program for security personnel in the hope of sharing a larger pool of candidates than would be gleaned from an effort conducted solely by the Gallery or the Smithsonian. After a one-year trial, however, we have been disappointed with the results. We now believe it to be more effective for the National Gallery to establish a security recruitment unit in which the above-cited objective will be emphasized. This unit will focus on our specialized needs and on using authority anticipated to be delegated to us from the Office of Personnel Management. The funding previously directed toward the shared effort with the Smithsonian will now be directed toward the cost of the NGA's in-house security recruitment effort.

63. Question: What are the total costs involved, for which the Gallery's share is $29,000?

Answer: The total cost involved is the Gallery's share of $29,000.

64. Question: An increase of $21,000 is requested for equipment repairs and maintenance in the audio-visual services office. How was this amount determined?

Answer: The amount, $21,000, was determined by estimating the yearly service and repair costs for the three theatres and recording studio for film, slides and TV projection. This includes regular maintenance and alignment of all audio, video and projection equipment in those facilities. In FY 1990, a state-of-the-art video projection system costing more than $100,000 was purchased. The added need for routine maintenance on this

system is included in the amount estimated. This category also includes $7,500 for contractor services and equipment rental for special programming. Examples include temporary stage rentals, lighting rental, hiring of outside recording service, camera crews, and Public Address (P.A.) systems.

65. Question: Will these services be provided through contract?

Answer: Some of these services will be provided by contract, including the maintenance, alignment, and repair of the audio equipment in the recording studio and auditoria, the motion picture projection systems in all three auditoria, and the above-mentioned video projection system in the large auditorium. The audio equipment repair, the motion picture systems, and the video projection will be handled by blanket purchase agreements. All other repairs of individual end items will be handled on individual requisitions, not necessarily yearly contracts.

66. Question: What amount is in your base funding for this purpose?

Answer: None. In 1989, the Gallery found that its needs for audio-visual services could no longer be met by continuing to split the duties for these functions between the electronics shop staff and the education department. Therefore, the audio-visual services department was created. However, only the funds for the three permanent FTE's described previously were in the base funding for the Gallery. Other needs have had to be met with such piecemeal funding as could be found.

67. Question: There is a request for an increase of $12,000 for audio-visual supplies and materials. What specifically will this increase be used for, and why is it needed?

Answer: The increase of $12,000 for audio-visual supplies and materials will be used for a broad range of supplies necessary for recording lectures in the three auditoria, recording and duplication of press breakfasts and television broadcasts, recording and duplication of speeches and recording of a weekly radio program. It also covers supplies for film and slide presentations, and the supplies necessary for the operation of two continuously-running, audio-visual programs. Included also are office supplies for the audio-visual services department.

68. Question: How much is in the base for this purpose?

Answer: None. As mentioned in the answer to a previous question, only the funding for three FTE's employed in the newly-formed audio-visual services department has previously appeared in the Gallery's base funding.

69. Question: There is an increase of $25,000 for upgrading gallery surveillance and alarm capabilities. Since an increase of $25,000 was provided for this purpose in FY 1990, can you be more specific why this further increase is needed?

Answer: An increase of $25,000 is requested to step up our program of upgrading gallery surveillance and alarm capabilities. Recent experience with improved technology in surveillance equipment has resulted in a much greater potential for protecting against vandalism to works of art and Gallery property in the future. In addition, we continue to need to

replace outdated equipment to maintain the overall protection of the Gallery. To date, the Gallery has made only modest use of some of these technologies, but we have aggressive plans to make more exhaustive use of them in the future.

70. Question: Is it expected that this activity will continue to increase each year by approximately the same amount and on what basis?

Answer: We anticipate making increased requests for funding of electronic surveillance and alarm equipment through FY 1995 because of our high priority plans to systematically improve electronic protection throughout the Gallery. We will continue to evaluate carefully, however, the amounts of the increases requested to ensure that they are adequate but no higher than necessary to accomplish this crucial task.

71. Question: There is also a request of $25,000 for audio-visual equipment. Is this a one-time only request? If not, what are the total costs expected to be?

Answer: This is not a one-time request. As described previously, the audio-visual services department at the Gallery has been recently created to deal with the many programs and auditoria support needs of the institution. Therefore, this department now has ongoing responsibility for the purchase, maintenance and repair of all equipment in the following facilities: East Building Large Auditorium, East Building Small Auditorium, West Building Lecture Hall, and Recording Studio. Each of these facilities is in almost constant use, seven days per week. In addition, this department is responsible for all the remote and portable audio-visual support lent to exhibition AV's, meetings, speeches, etc. at the Gallery.

The request for $25,000 is designed to meet the immediate equipment needs for FY 1991, but we anticipate that the aging equipment will cause these costs to increase significantly (by as much as 100%) in FY 1992. If we embark in FY 1992 or FY 1993 on a systematic program of replacement of older systems, we believe that unplanned closings of facilities -- or the alternative, large unplanned one-year expenses -- can be avoided. Preliminary estimates are that this replacement program would cost an average of $50,000 per year from FY 1992 through FY 1995 in addition to ongoing annual equipment costs for regular replacement of such smaller items as slide projectors, small film projectors, microphones, etc.

GENERAL ADMINISTRATION

72. Question: The request for general administration is $6,374,000, an increase of $790,000. There is a request of $52,000 for two positions in the supply office, a contract specialist and small purchasing agent. How many such positions are there currently in the Gallery?

Answer: The present staff in the supply office consists of five procurement specialists. Over the past ten years, the number of requisitions processed by the procurement office has increased by over 300%, yet the staffing has remained unchanged. The two additional personnel are critical to maintaining ongoing procurement support of the Gallery.

73. Question: There is also a request for an Assistant personnel officer and secretary for the personnel office. Who currently acts as the chief, labor and employee relations?

Answer: Ms. Rebecca Kusserow now serves as the chief of labor and employee relations at the GS-14 grade level. With the degree of complexity and number of labor and employee relation problems we have been experiencing, we felt it necessary to offset a vacant GS-11 personnel specialist position with the appointment of the assistant personnel officer. In order to be able to fill the personnel management specialist position and not absorb the difference between the GS-14 and GS-11, we are requesting funding of the GS-14.

74. Question: How many vacancies have there been among secretarial staff for the past two or three years, and how long have those vacancies remained open before someone was hired to fill them? Provide a listing for the record.

Answer: We have analyzed the frequency of secretarial vacancies as well as the average time needed to fill them for the past three years. Following are the results:

	Number of vacancies	Average length of time to fill
FY 87	22	9-10 weeks
FY 88	13	8-9 weeks
FY 89	19	9 weeks

75. Question: There is an increase of $40,000 for the telephone system. How much is in the base for the system?

Answer: The amount that is in the base for the system is $484,000.

76. Question: What efforts are being made to control cost increases in this area?

Answer: We are in the process of obtaining an up-to-date PBX to replace the Gallery's severely outdated system. Changing the system will enable us to be more efficient and cost-effective, to accommodate growth and replace obsolete equipment, and to save on the cost of data lines and measured business lines. Moreover, we hope our conversion to FTS-2000, Federal Telecommunications Service, will result in savings in domestic long distance charges. We also monitor our call accounting system regularly to ensure the accuracy and appropriateness of telephone costs.

77. Question: There is an increase of $143,000 for other services, including $43,000 for on-site EDP services. Does this increase consist solely of personnel salaries and benefits increases? If not, what else is included?

Answer: Yes, the increase consists solely of personnel and benefits increases. Hardware and software costs remained the same as the preceding year.

78. Question: An increase of $40,000 has been included for personal computer maintenance. How many PC's are currently planned for computer maintenance?

Answer: Currently 325 personal computers are planned for maintenance. The personal computers purchased in FY 1991 will be under warranty for twelve months.

79. Question: How many will be in place by 1991?

Answer: All 325 personal computers will be in place by October 1991.

80. Question: What kind of increase does this represent over 1990?

Answer: This represents an additional 56 personal computers being covered by maintenance in 1991 compared to 1990.

81. Question: How many micro-channel, 386 PC's do you intend to acquire? Over what time frame, and at what total cost?

Answer: The Gallery has been purchasing micro-channel, 386 PC's for the past year to fulfill one of the requirements for the new, enhanced Art Information System. Since the beginning of FY 1990, the Gallery has purchased 12 micro-channel, 386 PC's. During fiscal year 1991, all personal computers purchased for the curatorial departments will be micro-channel, 386 machines since those departments will need access to the Art Information System. Currently, we anticipate as many as fifteen personal computers, at a total cost of approximately $80,000, will be purchased in FY 1991 to satisfy curatorial requirements for automated equipment. Most of these PC's will replace antiquated IBM Displaywriters.

82. Question: There is a request of $15,000 for OSHA requirements. Last year, $20,000 was provided for OSHA and EEOC requirements. Why is this additional increase over that level required?

Answer: We are projecting that approximately 75 to 125 employees may need to be tested for asbestos-related illnesses. Assuming that 100 employees will be tested at approximately $300 per employee, the total cost will be $30,000. Only $15,000 has been allocated in the FY 1990 budget for this type of testing. We are also asking for $5,000 to acquire the services of a consultant to help us complete the complex reporting requirements mandated by EEOC. The Gallery does not have a full-time EEO staff specialist to fulfill these requirements.

83. Question: An increase of $50,000 is requested for office supplies. Since an increase of $50,000 for this purpose was provided in 1990, why is a further increase of this amount needed?

Answer: Based on past experience of office supplies required for the Gallery, we requested an additional $50,000. Although this line had been underbudgeted, we failed to focus on the shortfall of the past few years until late in the process of the FY 1990 budget request. At that time we asked for half the estimated shortage. The additional $50,000 will make up the balance of this shortage and bring this budget into line with estimated requirements.

LOCAL AREA NETWORK SYSTEM

84. Question: There is a request for $10,000 for development and/or purchase of a local area network. $15,000 was provided for this purpose in 1990. What is being done with the funds provided to date?

Answer: Currently, the Gallery has a 3270 based network, with approximately fifty personal computers connected directly to the IBM mainframe. Some of the funds provided in FY 1990 have been used to purchase additional personal computers to attach to this network. Another portion of the funds was used to purchase the required hardware and software for existing personal computers to access the IBM mainframe, via this 32 network, either for the General Accounting System or the Art Information System. The remainder of the funds so far have been used to purchase hardware and software for remote communications and printer sharing devices and cables to connect multiple personal computers to laser printers.

85. Question: How exactly will the requested increase be used in 1991?

Answer: The increase is to continue purchasing the required 3270 network hardware and software for access to the IBM mainframe. Remaining monies will be used to lease OfficeVision/VM, IBM's Electronic Mail Software package, which will reside on the Gallery's IBM mainframe, and to purchase any required software for the personal computers to access this system.

86. Question: An increase of $40,000 is requested for an array of networking communications equipment. What has been done in this area to date, in terms of research and analysis?

Answer: The increase of $40,000 is to continue purchasing printer sharing devices, and to purchase additional hardware required for the personal computers to access either the General Accounting System, Art Information System, or the planned Electronic Mail System. To date, staff members of the data processing department have attended several no-charge seminars and will continue attending seminars of this nature through the remainder of the fiscal year. These seminars pertain to recent enhancements to the required 3270 network hardware and software, and OfficeVision/VM. Ideally, the data processing department would like to lease the OfficeVision software during FY 1991 to begin a prototype. In addition to the seminars, technical publications have been acquired outlining the requisites for planning; the specifications for installation; and the guidelines for implementing a prototype of the Electronic Mail package.

87. Question: When would you expect to complete the research and begin the design of implementation plans?

Answer: The OfficeVision implementation team, made up of several members of the data processing department, needs to take several classes offered by IBM. The classes required deal with software installation and customization of the software which ultimately will be tailored for the Gallery. These classes are scheduled frequently by IBM. Hopefully, the OfficeVision implementation team can fulfill the education requirements in the next fiscal year. Once the classes are taken and members of the implementation team analyze the technical publications already acquired,

design of the prototype will begin. Estimated time for development of the OfficeVision implementation plan will be spring 1991.

88. Question: Why will more than one plan be needed?

Answer: When the Gallery's budget was submitted last fiscal year, it was assumed several implementation plans would be devised to encompass several different areas. These areas were installing OfficeVision either on the IBM mainframe or on a local area network. With the knowledge gained thus far, only one plan will be devised consisting of several phases. The implementation plan will begin with installing OfficeVision on the IBM mainframe for access by the Executive Officers and their staff assistants. The next several phases will include other Gallery management.

89. Question: When will design be completed?

Answer: If the OfficeVision implementation team fulfills the education requirements and fully understands all the technical publications involved with the software installation and implementation, the design will be able to be completed by late spring or early summer of FY 1991.

90. Question: What is the basis of this estimate, if the research and design have not yet been done?

Answer: Estimates are derived from current vendor GSA contracts and include prices to continue purchasing printer sharing devices, and to purchase additional hardware and software required for the personal computers to access either the General Accounting System, Art Information System, or the planned Electronic Mail System.

PROGRAM AND PERFORMANCE SCHEDULE

91. Question: On the program and performance schedule, why was the actual funding for positions other than permanent in FY 1989 $2,831,000, versus the estimate a year ago of $2,338,000?

Answer: The National Gallery does an aggressive job of filling vacancies of full-time permanent positions with temporary people. Also, due to recruiting difficulties in the past, a large number of the security positions were filled with temporary guards. It was hoped that many of the vacant, full-time permanent positions would be filled in FY 1989 and many of the temporary guards could be converted to permanent guards. However, most of the temporary guards were not converted until FY 1990 and some of the other permanent position vacancies have remained filled with temporaries.

WEDNESDAY, MAY 9, 1990.

U.S. HOLOCAUST MEMORIAL COUNCIL

WITNESSES

SARA J. BLOOMFIELD, EXECUTIVE DIRECTOR, U.S. HOLOCAUST MEMORIAL COUNCIL

MARYANNE MURILLO, BUDGET ANALYST, NATIONAL PARK SERVICE, NATIONAL CAPITAL REGION

Mr. YATES. This is the hearing for fiscal year 1991 for the United States Holocaust Memorial Council. Ms. Bloomfield is appearing in support of this budget. Ms. Bloomfield has been sitting there very patiently.

This is Sara Bloomfield, who is the executive director of the United States Holocaust Memorial Council. In order for her to tell us what is happening with the Holocaust Council and their need for money, she has brought with her Maryanne Murillo, who is the budget analyst for the National Park Service, which advises the Holocaust Council on whether they are spending their money properly.

Ms. Murillo's biography may go into the record at this point.

[The biography of Ms. Murillo follows:]

BIOGRAPHY OF MARYANNE MURILLO, BUDGET ANALYST, NATIONAL CAPITAL REGION, NATIONAL PARK SERVICE

Maryanne Murillo has been a senior budget analyst for the National Park Service in the National Capital Regional Office (NCR) since September of 1987, and is currently the Acting Budget Officer. She is responsible for preparing budgets affecting some 300 park areas in a region which attracts more than 20 million visitors annually to such popular sites as the White House, Vietnam Veterans Memorial, Washington Monument, Lincoln and Jefferson Memorials, Manassas National Battlefield, Harpers Ferry National Historical Park, and the C&O Canal National Historical Park. She is also responsible for formulating the operating budgets of the Executive Residence and the United States Holocaust Memorial Council.

Before joining NCR's Budget Office, Ms. Murillo worked at both the George Washington Memorial Parkway and National Capital Parks-Central where she was involved in implementing the parks' operating budgets. She also worked for NCR's Office of Public Affairs where she directed the financial management of the Carter Barron Ampitheatre, the Fort Dupont Summer Theatre, and three divisions within the regional office. She has been cited with numerous commendations and awards for her work with the National Park Service.

Born in Philadelphia, Pennsylvania, she received a B.S. degree from St. Joseph's College in Philadelphia. She also did post-graduate work at the University of Maryland. Prior to her National Park Service career, Ms. Murillo spent several years as an elementary school teacher, both in the Washington, D.C. area and in Philadelphia.

Ms. Murillo and her husband are parents of two children. They make their home in nearby Kensington, Maryland.

Mr. YATES. Now Ms. Bloomfield's statement may go into the record at this point.

[The prepared statement of Ms. Bloomfield follows:]

STATEMENT OF SARA BLOOMFIELD, EXECUTIVE DIRECTOR, UNITED STATES HOLOCAUST MEMORIAL COUNCIL BEFORE THE HOUSE COMMITTEE ON APPROPRIATIONS, SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES, ON THE 1991 BUDGET FOR THE UNITED STATES HOLOCAUST MEMORIAL COUNCIL

MR. CHAIRMAN, AND MEMBERS OF THE COMMITTEE, I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE YOU ON BEHALF OF THE UNITED STATES HOLOCAUST MEMORIAL COUNCIL. I AM HONORED TO SERVE AS EXECUTIVE DIRECTOR AND I ALSO BRING YOU THE PERSONAL GREETINGS OF CHAIRMAN HARVEY M. MEYERHOFF. IT IS A PLEASURE TO APPEAR BEFORE YOU TODAY AND TO HAVE THIS OPPORTUNITY TO REPORT THE SUBSTANTIAL PROGRESS THAT HAS OCCURRED DURING THIS PAST YEAR AND IS CONTINUING DURING THE CURRENT YEAR, AS WELL AS THAT PROJECTED FOR FISCAL YEAR 1991.

THE APPROPRIATION FOR THIS ACCOUNT FOR FISCAL 1990 IS $2,315,000, WHICH AFTER ADJUSTMENT FOR THE G-R-H SEQUESTER, NETS TO A TOTAL BUDGET AUTHORITY OF $2,297,000.

THE FISCAL YEAR 1991 REQUEST IS $3,304,000 WHICH IS $989,000 ABOVE THE FISCAL 1990 APPROPRIATED AMOUNT. INCLUDED IN THE FY 1991 REQUEST IS A $132,000 INCREASE FOR PERSONNEL AND NON-PERSONNEL INFLATIONARY INCREASES, AND A $19,000 INCREASE, REFLECTING 50 PERCENT OF THE FY-91 PAY INCREASE.

OUR FY-91 REQUEST ALSO INCLUDES SIGNIFICANT PROGRAMMATIC INCREASES, PRIMARILY IN THE AREA OF MUSEUM PROGRAM DEVELOPMENT, ACQUISITIONS, CONSERVATION AND ARCHIVAL DOCUMENTATION. FUNDS IN THE AMOUNT OF $200,000 ARE REQUESTED FOR PREPARATION OF EDUCATIONAL EXHIBITIONS TO BE DISPLAYED IN CONJUNCTION WITH THE OPENING OF THE MUSEUM. SOME $375,000 IS REQUESTED FOR MUSEUM ACQUISITIONS TO BE USED FOR EXHIBITION, RESEARCH AND EDUCATION; $157,700 IS REQUESTED TO PRESERVE THE COLLECTION AND TO PREPARE ARTIFACTS FOR INSTALLATION IN THE EXHIBITION AND TO CATALOGUE ARCHIVAL MATERIALS. IN ADDITION, FUNDS ARE REQUESTED FOR SECURE, OFF-SITE STORAGE TO HOUSE AND CONSERVE THE COLLECTIONS UNTIL THE MUSEUM IS OPENED.

IN FY 89 AND 90, THE COUNCIL CONTINUED TO FULFILL ITS MANDATE FOR HOLOCAUST COMMEMORATION AND EDUCATION BY EXPANDING ITS NATIONAL OUTREACH PROGRAMS. EVEN MORE SIGNIFICANTLY, MAJOR PROGRESS WAS MADE TOWARDS THE ACHIEVEMENT OF THE COUNCIL'S OTHER MANDATE -- TO BUILD THE U.S. HOLOCAUST MEMORIAL MUSEUM. WITH THE OPENING OF THE MUSEUM JUST THREE YEARS AWAY, THE TASKS AND CHALLENGES ARE CLEAR, AND WORK ON MUSEUM PROGRAMS MUST INTENSIFY. ON APRIL 24, THE COUNCIL HELD ITS TENTH ANNUAL COMMEMORATION OF THE VICTIMS OF THE HOLOCAUST IN THE CAPITOL ROTUNDA. WE ARE ONCE AGAIN MOST GRATEFUL TO CHAIRMAN YATES FOR SPONSORING A RESOLUTION PERMITTING THE COUNCIL TO USE THE ROTUNDA, THAT GREAT SYMBOLIC HALL OF DEMOCRACY, FOR THIS IMPORTANT NATIONAL CEREMONY. DAYS OF REMEMBRANCE IS A TIME FOR HONORING AMERICANS WHO PARTICIPATED IN THE LIBERATION OF THE NAZI CONCENTRATION CAMPS. IN 1989, THE EISENHOWER LIBERATION MEDAL WAS AWARDED TO GENERAL OMAR BRADLEY, POSTHUMOUSLY, AND IN 1990 GENERAL COLIN POWELL, CHAIRMAN OF THE JOINT CHIEFS OF STAFF, ACCEPTED THIS MEDAL ON BEHALF OF ALL ARMED FORCES INVOLVED IN LIBERATION.

ONCE AGAIN, ALL 50 STATES AND HUNDREDS OF CITIES ACROSS THE NATION PARTICIPATED BY ISSUING PROCLAMATIONS OR SPONSORING THEIR OWN COMMEMORATION. SEVERAL OTHER FEDERAL AGENCIES ALSO CONTINUED THEIR IMPORTANT INVOLVEMENT. THIS YEAR, BOTH THE DEPARTMENTS OF DEFENSE AND EDUCATION HELD THEIR OWN CEREMONIES, AND THE DEPARTMENT OF THE ARMY MOUNTED AN EXHIBITION ON THE HOLOCAUST IN THE PENTAGON.

AGAIN THE COUNCIL PRODUCED AN EDUCATIONAL BOOKLET AND POSTER WHICH WERE DISTRIBUTED TO OVER 9,000 SCHOOLS, LIBRARIES, CHURCHES, SYNAGOGUES, LOCAL HOLOCAUST CENTERS, TEACHERS AND OTHER INDIVIDUALS.

BUT COMMEMORATION ALONE IS NOT ENOUGH. IT MUST BE ACCOMPANIED BY EDUCATION SO THAT AMERICANS CAN UNDERSTAND THE IMPORTANT MORAL LESSONS OF THE HOLOCAUST WHICH ARE SO RELEVANT TODAY.

THE COUNCIL CO-SPONSORED A TRAVELLING VERSION OF THE "REMEMBER THE CHILDREN" EXHIBITION WHICH OPENED AT CHICAGO'S FIELD MUSEUM IN CHICAGO IN JANUARY. THIS EXHIBITION WHICH IS DESIGNED TO TEACH CHILDREN THE STORY OF THE CHILDREN OF THE HOLOCAUST HAS BEEN VERY WELL RECEIVED, AND THE COUNCIL HOPES IT WILL TRAVEL TO OTHER SITES ACROSS THE NATION.

THE COUNCIL HAS NOW ESTABLISHED A CHURCH RELATIONS COMMITTEE COMPRISED OF DISTINGUISHED EDUCATORS AND CLERGY FROM EACH MAJOR DENOMINATION. THIS COMMITTEE HAS BEGUN DEVELOPING HOLOCAUST EDUCATIONAL PROGRAMS GEARED SPECIFICALLY TO THE CHURCHES.

OTHER EXISTING EDUCATIONAL PROGRAMS SUCH AS THE CHILDREN'S TILE PROJECT, THE TEACHER TRAINING CONFERENCE AND THE NATIONAL WRITING CONTEST HAVE BEEN EXPANDED. THIS YEAR THE WRITING CONTEST RECEIVED A RECORD-BREAKING 4,362 ENTRIES FROM 47 STATES AND THE DISTRICT OF COLUMBIA.

THIS GROWING INTEREST IN THE HOLOCAUST EMPHASIZES THE IMPORTANT FUNCTION THAT THE MUSEUM WILL SERVE AS OUR NATION'S MAJOR EDUCATIONAL INSTITUTION ON THE HOLOCAUST.

I AM PLEASED TO REPORT THAT LAST YEAR THE COUNCIL NEGOTIATED A $53.2 MILLION CONSTRUCTION CONTRACT WITH BLAKE CONSTRUCTION COMPANY AND CONSTRUCTION IS WELL UNDERWAY. THE FOUNDATIONS ARE ALMOST TOTALLY COMPLETE, THE STRUCTURE SHOULD RISE ABOVE GRADE THIS SUMMER, AND THE BUILDING WILL BE TOPPED OUT IN LATE 1990 OR EARLY 1991. CONSTRUCTION SHOULD BE COMPLETED ON SCHEDULE BY FALL 1992.

EQUALLY IMPORTANT, SIGNIFICANT PROGRESS HAS BEEN MADE ON THE DEVELOPMENT OF THE PERMANENT EXHIBITION AND OTHER MUSEUM PROGRAMS. THE UNANIMOUSLY-APPROVED STORY LINE OF THE EXHIBITION HAS BEEN INCORPORATED INTO A SCHEMATIC DESIGN WHICH IS IN THE FINAL STAGES OF REFINEMENT. THE EXHIBITION WILL USE SOME OF THE MUSEUM'S COLLECTION OF OVER 16,000 ARTIFACTS ALONG WITH

PHOTOGRAPHS, ARCHIVAL DOCUMENTS, AUTHENTIC FILM FOOTAGE, AND EYEWITNESS TESTIMONY TO TELL THE STORY FROM THE RISE OF HITLER IN 1933, THE "ASSAULT" THROUGH 1939, THE HOLOCAUST FROM 1940-1945, THE LIBERATION OF THE CAMPS IN 1945 AND, FINALLY, THE AFTERMATH, INCLUDING THE REBUILDING OF THE VICTIMS' LIVES AND THE SEARCH FOR JUSTICE.

THE SUBSTANTIAL INCREASE IN THE MUSEUM'S ARTIFACTUAL AND ARCHIVAL COLLECTIONS IS DUE NOT ONLY TO MANY MORE INDIVIDUAL DONORS, BUT MOSTLY AS A RESULT OF SIGNIFICANT INTERNATIONAL AGREEMENTS. THE COUNCIL HAS CONCLUDED AGREEMENTS WITH THE GOVERNMENTS OF POLAND, CZECHOSLOVAKIA, HUNGARY, EAST GERMANY AND THE USSR. SIMILAR EXCHANGE AGREEMENTS WITH BULGARIA AND YUGOSLAVIA ARE IN THE PROCESS OF NEGOTIATION.

WHILE THE EXHIBITION AND COLLECTIONS ARE CENTRAL TO THE MUSEUM, EDUCATION, IN ITS BROADEST SENSE, IS ITS PRIMARY MISSION. THEREFORE, THE ACADEMIC AND PUBLIC PROGRAMS, NOW UNDER DEVELOPMENT, WILL BE CRITICALLY IMPORTANT. AT THE CONCLUSION OF THE EXHIBITION, AN INTERACTIVE LEARNING CENTER, KNOWN AS THE HALL OF KNOWLEDGE, WILL ALLOW VISITORS TO PURSUE THEIR INQUIRY ABOUT VARIOUS ASPECTS OF THE HOLOCAUST INDEPENDENTLY.

THE MUSEUM'S NATIONAL RESEARCH INSTITUTE WILL INCLUDE A COMPREHENSIVE ARCHIVE AND LIBRARY, AND WILL SPONSOR SCHOLARLY PUBLICATIONS, CONFERENCES AND FELLOWSHIPS. THE EDUCATIONAL CENTER WILL PROVIDE MUSEUM ORIENTATION PROGRAMS FOR VISITORS, PRE- AND POST- VISIT MATERIALS FOR STUDENTS, AND OTHER EDUCATIONAL AND CULTURAL PROGRAMS.

THIS REPORT WOULD NOT BE COMPLETE WITHOUT AN UPDATE ON A CAMPAIGN TO REMEMBER, OUR NATIONAL FUNDRAISING CAMPAIGN. AS OF MAY 3, 1990, THE COUNCIL HAS RECEIVED $87 MILLION IN CASH AND PLEDGES TOWARD OUR GOAL $147 MILLION. THESE GIFTS HAVE COME FROM A TOTAL OF 8,620 DONORS, INCLUDING INDIVIDUALS, CORPORATIONS AND FOUNDATIONS.

Mr. YATES. All right. Sara, what do you want to tell us. How is the Holocaust Council proceeding?

Ms. BLOOMFIELD. Mr. Chairman, things are proceeding quite well. If you would permit, I'd like to read just a very brief general statement into the record.

PURPOSE OF THE HOLOCAUST MEMORIAL COUNCIL

Mr. YATES. Before you do that, Sara, would you explain to our guests today the purposes of the Holocaust Council.

Ms. BLOOMFIELD. The Council was established by a unanimous act of Congress in 1980 with a mandate to do two things. First, to lead the Nation in an annual national civic commemoration of the victims of the Holocaust and to do educational programming in conjunction with that. Secondly, to raise private funds for and build the United States Holocaust Memorial Museum. These are the two projects which I am here to report on.

Mr. YATES. It is raising funds from the private sector in order to build that memorial.

Ms. BLOOMFIELD. Yes.

Mr. YATES. You don't happen to have a picture of the memorial here, do you?

Ms. BLOOMFIELD. In the past, we've had pictures of our architecture and the outside. This year, we have now progressed to our internal exhibitions, so I brought you photographs of some of our artifacts, which I would be glad to discuss with you and let the students look at if they are interested.

Mr. YATES. Sure.

STUDENTS FROM THE SOLOMON SCHECHTER SCHOOL

Ms. BLOOMFIELD. I would like to also welcome the students because I believe that tomorrow or the following day they are coming to visit our offices. They come every year. They do a little fundraising campaign of their own within the Solomon Schechter School.

Mr. YATES. They have a check for you.

Ms. BLOOMFIELD. They give a donation to the museum, and we are very, very grateful for that.

Mr. YATES. Right. We should tell you that the museum memorial building itself is now in the process of construction. The crane is there. The footings are there. In three years, it is expected that the building will be completed and dedicated. We look forward to that day. I think approximately $90 million has been raised to date for construction of that building, primarily from the Jewish community itself.

Do you have any questions that you want to ask of Ms. Bloomfield before I ask questions? Anybody? Anybody from the classes want to ask anything about the holocaust? Do you want to ask anything about anything else?

Did any of you see the exhibition at the Field Museum in Chicago of "Remember the Children?" Hold your hands up if you have. What did you think of that? That is being sponsored by the United States Holocaust Memorial Council. Did you think it was a memorable exhibition?

Now we turn to Ms. Bloomfield. Tell us what are the needs of the Holocaust Memorial Council for the next fiscal year.

Ms. BLOOMFIELD. Well, may I read just a brief statement?

Mr. YATES. Sure you may.

RECENT PROGRESS IN MUSEUM CONSTRUCTION

Ms. BLOOMFIELD. I'm giving you a quick summary of what we have done and where we are to date. I would also like to extend the greetings of Harvey Meyerhoff, Chairman of the Council, to you, Mr. Chairman.

Because the Council, unlike most other Federal agencies, has a mandate to plan and build a new national museum, every year when I appear before you I have much in the way of historic progress to report. This year is no different. Last July, after a competitive bidding process, the Council signed a $53 million contract with Blake Construction for the construction of the museum. I'm glad to report that construction is well underway, on schedule, and will be completed in the fall of 1992.

Since the installation of the exhibitions and the other interior components of the museum will take several months after the building is completed, the museum is scheduled to open in April of 1993 during the Days of Remembrance period.

EXHIBITION AND PROGRAM DEVELOPMENT

The exhibition and program development have also proceeded to keep pace with the construction schedule. This is where our most intense efforts are now and will be for the next three years. The schematic design of the exhibition is in its final stages and the archive, library, art, and artifact collections are growing rapidly. The academic and educational programs are under development.

COMMEMORATION AND EDUCATIONAL OUTREACH

Recognizing, however, the important fact that most Americans will not be able to visit this major national museum, the Council's outreach programs have also expanded. Thanks to a resolution sponsored by you, Mr. Chairman, we held recently our 10th annual Days of Remembrance ceremony in the Capitol Rotunda. This ceremony was accompanied by an outreach program to thousands of schools, libraries, churches, and synagogues all across the country, as well as the participation of all 50 States, hundreds of mayors, and several other Federal agencies. I would like, in particular, to commend the Departments of Defense and Education for very dedicated and, I would say, quite spectacular efforts this year.

Other educational programs such as the Remember The Children exhibition, the children's tile project, the national writing contest, and our teaching/training conference continue to reach more Americans every year and receive a very positive response Nationwide.

We at the Council are very proud of our progress in these areas of museum development, commemoration, and education. We feel that the recent historic events in the very lands of the holocaust serve as an important reminder not only of the significance of this project, but also of its relevance to Americans today.

FISCAL YEAR 1991 BUGETARY NEEDS

Mr. YATES. All right. Now let's turn to the budget. Is this budget adequate for your purposes?

Ms. BLOOMFIELD. Well, as I indicated to you before, Mr. Chairman, we have three years prior to museum opening. Therefore, we are rapidly intensifying our program area development in the areas of education, exhibition development, archival programming, and we did go to OMB this year and ask for an increase over our prior appropriation to support these intensive program development efforts during the next three years. OMB did come back to us and give us roughly half of the increase we requested. They looked upon this very favorably and said that they would consider granting us the other half in fiscal year 1992.

Mr. YATES. Well, now do you need it before fiscal year 1992?

Ms. BLOOMFIELD. Well, we certainly could use it as soon as we get it.

Mr. YATES. How will you use it?

Ms. BLOOMFIELD. I will tell you what they did fund if you'd like me to be more specific about it.

Mr. YATES. I do.

STORAGE OF ARTIFACTS

Ms. BLOOMFIELD. They funded storage for artifacts, which have grown rapidly. We now have over 16,000 artifacts. Many of them are quite large, such as our railroad car.

Mr. YATES. What is that railroad car?

Ms. BLOOMFIELD. This was a gift of State from Poland. It is an authentic car used to deport Jews from Warsaw to the Treblinka death camp during 1942 and 1943.

Mr. YATES. And that will be at the holocaust——

Ms. BLOOMFIELD. It will be a part of the permanent exhibition. It is currently undergoing conservation.

Mr. YATES. All right.

Ms. BLOOMFIELD. We have another large artifact, which I want to show you. On the more positive side of our story, this is a Danish rescue boat used around 1943 to smuggle Jews from Denmark to Sweden. Denmark was able to save all of their Jews by doing this. This boat was also acquired by the museum. This will also be on display in the exhibition. These are two very large artifacts. Most of our artifacts aren't quite that large. We also happen to have part of a barracks from Auschwitz. A lot of the artifacts are small, but we have them in varying sizes, and they need to be kept in proper storage. That was one of our requests to OMB which they did fund.

EXHIBITION, ACQUISITION AND CONSERVATION NEEDS

We also requested funds for traveling educational exhibitions, an acquisitions program to do research, location and acquisition of artifacts, and some conservation. We have very similar problems to those of Carter Brown, although most of our objects are not artworks. Often conserving materials such as wood, metals, leather, and paper—we have lots of artifacts in the form of paper—are also

costly and difficult to conserve. Those were the areas that OMB did fund.

ARCHIVAL NEEDS

We also requested funds to do some more work on the archives and particularly on doing the microfilming in the Soviet Union and Poland. I believe you are aware that we have been given great access to the Soviet Union and to Eastern European countries due to changing political climate.

There are literally millions of documents all over archives in these areas that have never before been seen by Western scholars. We have been granted access to these archives to go in and start microfilming. It is a major project.

Mr. YATES. I'm sure it is. I noticed that that was part of the money you requested from OMB.

Ms. BLOOMFIELD. Yes.

Mr. YATES. I notice that Soviet microfilming, Polish microfilming, oral history collections, and archives acquisition are among the requests that were stricken out by OMB.

Where will you keep all of this in the interim? The building isn't built. Where do you keep all of these artifacts as you collect them?

Ms. BLOOMFIELD. Well, presently, as I said, our two very large artifacts are currently in conservation. We also have some small storage in downtown Washington and another storage place in Maryland. I would prefer not to disclose where they are currently—but our collections are growing so rapidly, and we have more shipments coming in from Europe all the time that we cannot handle.

Mr. YATES. Will you still be required to use outside storage space after the building is built? Or will everything be moved into the building?

Ms. BLOOMFIELD. No. It is my understanding that once the building is built, we will have sufficient storage. One of the things we have done is we are now building an extension underground underneath the plaza on Wallenberg Place. We are building this extension of the building to house the collections. This is at the museum building. So we should be able to store everything in the building.

PLANS FOR ANNEX III

Mr. YATES. What are you doing with respect to Annex III now?

Ms. BLOOMFIELD. As you know, we have been given administrative jurisdiction over Annex III. We are right now in the final stages of completing some schematic designs to take before the Fine Arts Commission and GSA. We need various approvals before we can go forward because it is on the historic register. We expect to have those approvals by this summer. Once these are approved, we will do our final drawings, get approval on those, and start renovation of Annex III in the fall. That will become the administrative center where all of the offices, some of the support services for the museum—like the photographic lab and some small conservation that can be done on site—will be housed.

Our hope is that we can begin renovation this fall and that next fall we can move all of our offices over to Annex III in 1991.

"REMEMBER THE CHILDREN" EXHIBITION

Mr. YATES. Do you want to tell us the success you've had with the "Remember The Children" exhibition? Has it been successful?

Ms. BLOOMFIELD. I wish I had brought it with me. I just got a letter from the Field Museum—well, I was shown a letter. It wasn't sent to me; it was sent to the Smithsonian. It said that the crowds have been phenomenal and that sometimes up to 1,000 people a day have gone through it. It is really quite remarkable.

Mr. YATES. That's at the Field Museum?

Ms. BLOOMFIELD. Yes. It will be closing at the end of May. They've extended the tour, as I'm sure you're aware, because of its popularity.

Mr. YATES. What plans do you have for traveling that exhibition?

Ms. BLOOMFIELD. We have plans to travel it. We are talking——

Mr. YATES. Do you know where you will send it next?

Ms. BLOOMFIELD. We have gotten lots of offers from all over the country. Because I have so many people writing to me and requesting it, and it is a matter of scheduling everybody, and getting the funds in place to travel it.

Ms. BLOOMFIELD. Does this budget contain funds for traveling?

Mr. YATES. No, it doesn't.

Mr. YATES. That raises a question. The Smithsonian budget, I think, may contain funds for that. Should those funds be in your budget or in the Smithsonian's budget?

Ms. BLOOMFIELD. If there are funds to travel it beyond Chicago, it is my understanding from my contacts with the Smithsonian that that would be a Council-sponsored tour. They would like us to do it. So if there are funds available, it seems to me it would be most appropriate that they be given to us.

Mr. YATES. If it is to be in the Council budget, it ought to have been included in this budget that you submitted to us, should it not?

Ms. BLOOMFIELD. Well, the appropriation to design the traveling exhibition was given to the Smithsonian, as you recall, so we didn't feel——

Mr. YATES. No, let's pause a minute. When does the exhibition close in Chicago?

Ms. BLOOMFIELD. May 28.

Mr. YATES. When do you think it will travel to its next site? In connection with traveling that exhibit, will you need money in the 1990 budget, or in the 1991 budget, or both?

Ms. BLOOMFIELD. Well, we would need it in both.

Mr. YATES. Will it be traveling during the rest of this fiscal year?

Ms. BLOOMFIELD. It won't be traveling. What we would hope to do is to see if we could solve some of the technical problems. That is what we would need to find funds for this year.

Mr. YATES. How much money do you need?

Ms. BLOOMFIELD. Well, I would say between $50,000 and $100,000.

Mr. YATES. That much?

Ms. BLOOMFIELD. Well, it is very much a technology problem with the sound. They've tried different ways. I don't know if you want me to get into too much of the technical aspects of it.

Mr. YATES. What I do need is something specific with respect to the funds for the balance of this fiscal year.

Ms. BLOOMFIELD. I could submit to you for the record something more specific with what modifications need to be made and a budget as to what that would be.

Mr. YATES. Okay.

[The information follows:]

Both the U.S. Holocaust Memorial Council and the Smithsonian Institution believe it is important that "Remember the Children" travel nationally, and that its tour be sponsored and supervised by the Council.

The assets and pitfalls of travelling exhibitions sometimes do not emerge until a show is up running at its first museum site. As we expected, the Field Museum's experience has taught us a great deal about which components work well in "Remember the Children," and which have not been effective and should be modified for the national tour.

To evaluate the exhibition carefully, the Council enlisted help from several museum professionals, who toured the show and then visited at length with Field Museum staff. Three concerns became paramount. First, the majority of visitors have not been able to hear the audio-driven narrative, which is fundamental to the entire exhibition story. Unfortunately, this problem cannot be solved simply by increasing the volume of the audio tape decks. The solution, therefore, involves reformatting and re-taping the narrative, and then applying it onto completely different equipment.

Next, the content of the video programs cannot be grasped by young people. Although the exhibition's three-dimensional components are based on children's learning environments, the language and historical references in the videos—both of which provide crucial background information—were created for adult audiences with substantial prior knowledge. In Washington and Chicago, these problems were handled by docent explanations. Many host museums, however, will not be able to rely so completely on trained tour guides. We therefore believe that "Remember the Children" must be made more accessible, through newly created video programs and supplementary educational materials, to the very audiences for which it was intended.

Finally, the exhibition's modular capabilities needs to be improved. The current format, which requires full-scale installation and dismantling services by professional exhibition technicians, could be made more portable. This in turn would ensure that "Remember the Children" could travel more economically, more effectively and to many more museum sites.

After consultation with professionals from the Field Museum, the Smithsonian and other organizations involved in travelling exhibitions, the Council has concluded that the following is necessary:

1. Exhibit refinement/technical modifications (e.g. audio/video/text/educational materials)	$175,000
2. Annual exhibition tour operating costs (e.g. personnel/insurance/shipping/maintenance/regular refurbishing)	75,000
Total	250,000

Mr. YATES. I'm really kind of appalled that you need $100,000 for that.

Ms. BLOOMFIELD. Well, that was——

Mr. YATES. I didn't know that you needed that much of a repair.

Ms. BLOOMFIELD. The idea would be to change the sound problem and then build the rooms into light-weight modular units.

Mr. YATES. Could the Smithsonian fund it? I don't think they've got enough money for that.

Ms. BLOOMFIELD. Out of that original appropriation, I don't think so. I couldn't speak to their budget.

Mr. YATES. Should the money go to the Smithsonian or to you for the balance of the year? Probably to them because they have the exhibit, don't they?

Ms. BLOOMFIELD. Well, you can talk to them about that. I don't know how they——

Mr. YATES. I think you have——

Ms. BLOOMFIELD. They would like us to travel it. They would like us to assume the full responsibility for traveling it.

Mr. YATES. Do you mean sites?

Ms. BLOOMFIELD. No. SITES is not going to be traveling it.

[CLERK'S NOTE.—SITES refers to Smithsonian Institution Traveling Exhibition Services.]

Mr. YATES. Do you have experience in traveling?

Ms. BLOOMFIELD. We have people on our staff who have done traveling exhibitions, and they would supervise it.

Mr. YATES. They can do it?

Ms. BLOOMFIELD. Yes. In terms of people, yes. Expertise in doing this, yes.

Mr. YATES. Would you check with the Smithsonian about the funding?

Ms. BLOOMFIELD. Yes.

Mr. YATES. All right. Anything else in connection with your budget?

Ms. BLOOMFIELD. The archives needs is the one area, as I said before, that we have the major need in that we didn't get funded. Other than that, we feel that we are grateful for the increase OMB gave us.

Mr. YATES. Okay. Thank you very much.

Ms. BLOOMFIELD. Thank you. Would you like to look at some of these pictures, and then maybe pass them around to the——

Mr. YATES. Yes.

PERMANENT EXHIBITION

Ms. BLOOMFIELD. One thing I'd like to show you, Mr. Yates, is, you know, we have many towers in the architecture. In one of the towers, we have pre-war pictures from prior to 1941 of 1,500 people in a little village near the Polish- Lithuanian border, the village of Eyshyshki. It was essentially a Jewish village. This whole tower will be filled with pictures of 1,500 individuals of that village who were all killed in one day by the Einsatzgruppen, the mobile killing units, in 1941. One of our researchers just recently went back to Eyshyshki and while the village is there, there of course are no more Jews. Here is a photograph of the model, and I think it a very good demonstration of what was lost with unbelievable efficiency.

Mr. YATES. Wow.

Ms. BLOOMFIELD. This is a model of the barracks. That is one of the aspects of the exhibition that talks about a day in the life of the concentration camps.

Mr. YATES. Okay. Thanks, Ms. Bloomfield.

Ms. BLOOMFIELD. Okay. Thank you.

Mr. YATES. Do you kids want to see these? Thank you very much. Thanks, Sara.

Ms. BLOOMFIELD. Thank you.

Mr. YATES. Thanks, Ms. Murillo.

Ms. MURILLO. Thank you.

Mr. YATES. We have several questions we would like you to answer for the record.

[The information follows:]

QUESTIONS SUBMITTED BY CONGRESSMAN YATES

OVERVIEW OF BUDGET REQUEST

Question. The fiscal year 1991 request for the Holocaust Memorial Council is $3,304,000, an increase of $1,007,000 over the adjusted FY 1990 level. What are the key milestones you hope to accomplish with respect to the museum in FY 1990 and FY 1991?

Answer. As the 1993 Museum opening approaches, program planning and development must increasingly intensify during the next three critical years. This specifically includes acquisition and conservation of the artifacts for the permanent exhibition and collections, and continued development of the archives library, educational exhibitions and academic programs.

Question. Why is your budget increasing by nearly one-third over the FY 1990 level?

Answer. The increase for FY 91 reflects the need to intensify work on the development of particular educational programs which must be completed by Museum opening in 1993. The archives and artifact holdings need substantial effort in the areas of identification, research, acquisition, cataloguing, conservation and storage. These important collections include thousands of authentic objects, art work, photographs, film footage and paper documents.

Special educational exhibitions for the two temporary exhibition galleries will be an important part of the public programming and are necessary for Museum opening. It is anticipated that these exhibitions may travel in future years to various museums around the country as part of a national educational outreach effort. These exhibitions require a variety of services including curatorial supervision, scholarly research to identify material and authentic artifacts and documents, exhibition design services and ultimately fabrication and installation.

Furthermore, because of the recent political changes and increased openness in the Soviet Union and Eastern Europe, the Council has been granted unprecedented access to archives, particularly Nazi documents captured by the liberating Red Army in the closing months of World War II. The Council hopes to embark on a major program to microfilm selected documents and records for our archives. Because these archives hold literally millions of relevant documents, this will require extensive scholarly research to locate, evaluate and prioritize the documents for filming.

MUSEUM CONSTRUCTION

Question. In FY 1989, you awarded a contract for $53 million for construction of the memorial. Your goal is to raise $147 million in private funds. How will you use the $94 million difference between what you hope to raise and what you have committed to the construction contract?

Answer. The $53 million contract is a contract specifically for the construction of the building. That figure does not include costs for major items such as site preparation, utility relocation and preliminary excavation which were required prior to construction as well as architect and engineering fees, other consulting costs and interiors.

Now that administrative jurisdiction of Annex III, which will become the Museum's administrative center, has been transferred to the Council, additional sums will be required to renovate that building and build an underground tunnel connecting it to the main Museum building.

Total Museum construction is now estimated at $72 million. This includes site preparation, the construction contract, related fees, complete renovation of Annex III, construction of the connecting tunnel, and a new extension of the Museum building under the plaza for additional storage space for the collections. Also included in this estimate are additional and unanticipated utility relocations and an extension to a driveway for the Bureau of Engraving and Printing to give the building contractors proper access during construction.

Approximately $37 million is required for program components. This includes research, planning, design, implementation, fabrication, and installation of the permanent exhibition, the computerized Hall of Knowledge, and other educational, curatorial and academic programs.

Other funds will cover administrative and fund-raising costs and interest on the construction loan (if necessary), with the remainder used to begin an endowment.

Question. How much of the $87 million received in cash and pledges (as of May 3, 1990) has been in cash?

Answer. As of April 30, 1990, $36,582,483 has been received in cash. Pledges are payable over a five-year period.

It is important to note that in mandating the creation of the United States Holocaust Memorial Council, Congress specifically emphasized that Americans should participate in the creation of this national memorial and therefore required that funds for construction be raised from the American people. Since the lessons of the Holocaust are important for all Americans and the

Museum is designed to appeal to the great diversity of the American public, the Council has made a concerted effort to reach out to a broad spectrum of Americans in our fund-raising efforts. Of the $87 million raised to date, significant amounts have come from the non-Jewish community. Churches and religious leaders of all major denominations, including Catholics, Lutherans, Presbyterians, Methodists and Episcopalians have generously supported the Campaign in such diverse cities as Boise, Idaho; Providence, Rhode Island; Baltimore, Maryland; and Miami, Florida. In fact, a major personal gift from a prominent leader of the Mormon community in Utah has just been received. In addition, the Campaign has received nearly $10 million in corporate contributions to date, including significant gifts from many companies with no specific ties to the Jewish community.

NATIONAL ARCHIVES PROJECT

Question. What progress have you made over the past year through your cooperative agreement with the National Archives to identify and catalogue Holocaust-related records?

Answer. Progress in the past year includes the cataloguing of 650 records which have been entered into the catalogue system at the U.S. Holocaust Memorial Council bringing the current total to approximately 1,500. Roughly 43,000 feet of records have been surveyed to determine cataloguing requirements, and there has been a frequent interchange of information between the Holocaust Memorial Council and the National Archives through the sharing of information from the respective catalogue systems.

Question. What types of documents have you unearthed through this cooperative effort?

Answer. Types of documents include reports on camp conditions and inmate populations, including Jews, Gypsies, Soviet prisoners of war, Jehovah's Witnesses, and others. Also included are reports on camp liberations; census reports from Ukrainian cities regarding Jewish populations; documents relating to medical and other experiments in the camps; and original German documents on euthanasia and sterilization programs. Other types of documents unearthed through this effort are death registers of camps' inmates; displaced persons camp rosters; documents on the deportation of Jews and others; orders concerning the fate of political inmates of prisons; documents on the disposition of refugees from Nazi persecution, and the like.

Question. Why do you feel you will need to continue this project for five additional years?

Answer. There are approximately 30 National Archive record groups yet to be surveyed and catalogued. These include military, State Department, Office of Strategic Services (OSS), War Refugee Board, Congressional Committee, and Justice, Treasury and Commerce

Department records in two National Archives facilities in Washington, D.C., as well as in the relevant Presidential Libraries. On the basis of brief initial surveys and discussions with National Archives staff, we have determined that all of these agency records contain materials directly related to the Holocaust and its historical context.

The success of this relatively inexpensive project thus far has demonstrated its value in serving the needs of scholars and others, and in broadening our knowledge and understanding of this tragic period in human history. We believe the project's continuation will clearly be of great benefit to the Museum, the National Archives and the wider world of scholarship, and therefore also to the American and international public.

Question. Do the 5 additional years include FY 1991?

Answer. The additional five years do not include FY 1991. We currently envision the work continuing until the Fall of 1996.

EDUCATIONAL EXHIBITS

Question. What will you purchase with the $200,000 increase you request for educational exhibits in FY 1991?

Answer. In FY 1991, the funds will be used for curatorial, research and design consultants, and associated expenses such as travel, reference materials, photography, supplies and materials. In future fiscal years, this recurring increase will be used to fund exhibition design, fabrication and installation.

Question. How much is in the base for this effort (before the increase)?

Answer. There are currently no funds in the base for this effort.

MUSEUM ACQUISITIONS

Question. You request an increase of $375,000 for museum acquisitions. What type of artifacts will you acquire with this money?

Answer. Many important Holocaust artifacts are held by survivors, rescuers, liberators, or their families and by individual collectors and institutions in the U.S. and in Europe. These items include objects such as clothing, concentration camp uniforms, artwork done in the camps, ghettos or in hiding, diaries, photographs, letters, and personal effects and memorabilia.

Question. How much is in the base for museum acquisitions?

Answer. The base currently includes a total of $56,000 for this activity. Included in this figure is $42,000 to fund salary and benefits for the Collections Manager, as well as $6,600 to fund several part-time curatorial intern positions, and $8,000 to fund travel cost for the committees responsible for reviewing all museum acquisitions and their use in the exhibition.

CONSERVATION OF ARTIFACTS

Question. An increase of $128,000 is requested to hire an additional employee for the conservation program and to contract for conservation services. How much of the increase is for salary and benefits costs and how much is for contract support?

Answer. Salary and benefit costs total $50,000 and contract support costs are estimated at $78,000.

Question. What amount of money and staffing do you have for the conservation program in FY 1990?

Answer. Presently, no federal funds are dedicated to the conservation program.

Question. Why don't you propose to pay for the additional employee with donated funds?

Answer. The current fund-raising goal will support the entire cost of construction, which includes the main Museum building and Annex III, but only some of the costs of program development. Because, by law, donated funds must be used for construction, it is necessary to provide federal support for program development to ensure that the required programs are operational by Museum opening in 1993.

After all construction expenses are met, there will be donated funds available for the development of the permanent exhibition and the interactive hall of knowledge. But other critical programs, such as the archives, library, collections management and academic and educational programs will require additional funds from the federal side to meet the 1993 deadline.

CATALOGUING

Question. You also request $30,000 to hire an additional employee for archival cataloguing. Why couldn't this position be funded with donated funds?

Answer. As previously mentioned, the current fund-raising goal will support the entire cost of construction, to include the main Museum building and Annex III, but only some of the costs of program development. Since the law stipulates that donated funds

must be used for construction, it is essential that federal support for program development be provide so that the required programs are operational by Museum opening in 1993.

USES OF APPROPRIATED AND DONATED FUNDS

Question. How do you distinguish between the activities funded with appropriated funds and the activities funded with donated funds?

Answer. Federal legislation prohibits the use of federal funds for Museum construction. Therefore, donated funds are used for all construction and construction related expenses, all fund-raising expenses, and some Museum program development costs. Federal funds are used for the Days of Remembrance commemoration and related activities, current educational outreach and church relations programming, administration, and support for Museum program development in the archives, library, curatorial and educational departments.

We consider it very important that the scope of the programs funded through donated funds be limited so that fund raising goals for construction are not diffused. Experience has shown that once a building is completed, efforts to raise funds to support the construction are, for the most part, unsuccessful. Therefore, we must limit the focus of what can be supported through donated funds to only those areas currently included within our fund-raising goal of $147 million.

Question. Please provide for the record a categorization (by project) of the actual and planned uses of both appropriated and donated funds in fiscal year 1989, 1990 and 1991, and explain any differences in uses from year to year.

Answer. The information follows.

Category	FY-89	FY-90	FY-91
Construction	Donated	Donated	Donated
Fund-raising	Donated	Donated	Donated
Days of Remembrance-education, outreach & church relations	Federal	Federal	Federal
Museum Programs	Both	Both	Both

CONSULTANT SERVICES

Question. How many consultants are currently employed by the Council using appropriated funds? What specific projects do these consultants support?

Answer. There are a total of four consultants currently employed by the Council with appropriated funds. They provide support in the following areas: (1) Research and Educational Programs; (2) Church Relations; (3) and Days of Remembrance observances, both state and local.

Question. What amount of funding was expended for consulting services in FY 1989? What are the estimates for consultant services in FY 1990 and FY 1991?

Answer. In FY 1989, $27,000 was expended for consulting services. In FY 1990, we anticipate that $51,300 will be expended and in FY 1991, $60,500 is the planned expenditure for consultants.

Question. How many consultants are planned for fiscal years 1990 and 1991?

Answer. In fiscal year 1990, we anticipate continuing to use a total of 4 consultants. In fiscal year 1991, we expect to use 4 to 6 consultants, as activities intensify and the Museum's opening approaches.

AUTHORIZING LEGISLATION

Question. On page 1 of the budget justification, you state that authorizing legislation for FY 1991 is being forwarded to the Congress. What will this proposal entail and when will it be submitted?

Answer. The U.S. Holocaust Memorial Council does not have a permanent appropriation and is therefore required to request authorization of appropriations to carry out its programs on an annual basis. The request for authorization was submitted to the Speaker of the House and to the President of the Senate on February 15, 1990 and a copy of this request has been furnished to the committee.

STAFFING INCREASE

Question. You are asking for an increase of two positions in FY 1991 but your budget on page 19 only shows an increase of 1 (from 29 to 30). On page 16 you show FTE's increasing from 29 to 31. Please explain this seeming numbers discrepancy.

Answer. Page 16 contains the correct information. The figure showing requested FTE's of 30 is an error and should be 31. A corrected page will be submitted and we apologize for any confusion resulting from this error.

WEDNESDAY, APRIL 18, 1990.

SMITHSONIAN INSTITUTION

WITNESSES

ROBERT McC. ADAMS, SECRETARY
DEAN W. ANDERSON, UNDER SECRETARY
ALICE G. BURNETTE, ASSISTANT SECRETARY FOR INSTITUTIONAL INITIATIVES
JAMES C. EARLY, ACTING ASSISTANT SECRETARY FOR PUBLIC SERVICE
ROBERT S. HOFFMANN, ASSISTANT SECRETARY FOR RESEARCH
JOHN F. JAMESON, ASSISTANT SECRETARY FOR ADMINISTRATION
THOMAS E. LOVEJOY, ASSISTANT SECRETARY FOR EXTERNAL AFFAIRS
TOM L. FREUDENHEIM, ASSISTANT SECRETARY FOR MUSEUMS
ANN R. LEVEN, TREASURER
RICHARD L. SIEGLE, DIRECTOR, OFFICE OF FACILITIES SERVICES
MICHAEL H. ROBINSON, DIRECTOR, NATIONAL ZOOLOGICAL PARK
NANCY D. SUTTENFIELD, DIRECTOR, OFFICE OF PLANNING AND BUDGET
FRANK TALBOT, DIRECTOR, NATIONAL MUSEUM OF NATURAL HISTORY
MARTIN HARWIT, DIRECTOR, NATIONAL AIR AND SPACE MUSEUM
ANNA COHN, DIRECTOR, SMITHSONIAN TRAVELING EXHIBITION SERVICE
ROGER KENNEDY, DIRECTOR, NATIONAL MUSEUM OF AMERICAN HISTORY
IRWIN SHAPIRO, DIRECTOR, SMITHSONIAN ASTROPHYSICAL OBSERVATORY
IRA RUBINOFF, DIRECTOR, SMITHSONIAN TROPICAL RESEARCH INSTITUTE
ELIZABETH BROUN, DIRECTOR, NATIONAL MUSEUM OF AMERICAN ART
JIM DEMETRION, DIRECTOR, HIRSHHORN MUSEUM AND SCULPTURE GARDEN
BOB BURKE, DIRECTOR, OFFICE OF PROTECTION SERVICES
DAN APPLEMAN, NATIONAL MUSEUM OF NATURAL HISTORY
DAVID CORRELL, DIRECTOR, SMITHSONIAN ENVIRONMENTAL RESEARCH CENTER
JIM MAYO, ACTING DIRECTOR, ANACOSTIA MUSEUM
SHARON REINCKENS, ACTING DIRECTOR, ANACOSTIA MUSEUM
MILO BEACH, DIRECTOR, FREER/SACKLER GALLERIES
ALAN FERN, DIRECTOR, NATIONAL PORTRAIT GALLERY
DIANNE PILGRIM, DIRECTOR, COOPER-HEWITT MUSEUM
SYLVIA WILLIAMS, DIRECTOR, NATIONAL MUSEUM OF AFRICAN ART
SUSAN HAMILTON, ACTING DIRECTOR, ARCHIVES OF AMERICAN ART
BILL MOSS, DIRECTOR, SMITHSONIAN INSTITUTION ARCHIVES
BARBARA SMITH, DIRECTOR, SMITHSONIAN INSTITUTION LIBRARIES
JIM SIMS, DIRECTOR, OFFICE OF MUSEUM PROGRAMS
PETER POWERS, GENERAL COUNSEL
CLAUDINE BROWN, AFRICAN-AMERICAN PROJECT
KIMBERLY CAMP, EXPERIMENTAL GALLERY

ANN BAY, DIRECTOR, OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

RICHARD KURIN, DIRECTOR, OFFICE OF FOLKLIFE PROGRAMS

LAMBERTUS VAN ZELST, DIRECTOR, CONSERVATION ANALYTICAL LABORATORY

Opening Remarks

Mr. YATES. The hearing will come to order.

This is the hearing for fiscal year 1991 for the Smithsonian Institution. I'm not going to go through this whole list of witnesses. This is a hearing in support of the budget for this fiscal year. We have the distinguished Secretary, Mr. Robert McC. Adams; Mr. Dean Anderson, the Under Secretary; Alice Burnette, the Assistant Secretary for Institutional Initiatives. What is the Assistant Secretary for Institutional Initiatives?

Mr. ADAMS. She is currently in charge of our Indian Museum fund-raising activities, among other things.

Mr. YATES. She is sitting over there.

Mr. ADAMS. Right.

Mr. YATES. And Mr. Early is the Acting Assistant Secretary for Public Service. Mr. Freudenheim, the guy hiding behind the beard, is the Assistant Secretary for Museums. Mr. Hoffmann, Assistant Secretary for Research; Mr. Jameson, Assistant Secretary for Administration; Mr. Lovejoy, Assistant Secretary for External Affairs; Ms. Leven, the Treasurer; Mr. Siegle, Office of Facilities Services; Mr. Robinson; and Ms. Suttenfield, the Director of the Office of Planning and Budget.

In addition to that list, there is a list of the attendees and proposed discussion topics that has been prepared by the Smithsonian. That may go into the record at this time.

[List of attendees and proposed discussion topics follows:]

SMITHSONIAN INSTITUTION

ATTENDEES AND PROPOSED DISCUSSION TOPICS
HOUSE APPROPRIATIONS SUBCOMMITTEE HEARING

Principals

Robert Hoffmann, Asst. Secy for Research
- -- Global change/bio- and cultural diversity,
- -- Research infrastructure needs,
- -- Columbus Quincentenary Programs

Tom Freudenheim, Asst. Secy for Museums
- -- Control of collections,
- -- Increased role as a National museum,
- -- Public side of museums as educational institutions

James Early, Asst. Secy for Public Service (Acting)
- -- Cultural diversity for SI mandate/budget,
- -- Implications of SI role in formal/informal education

Ann Leven, Treasurer
- -- Trust fund constraints

John Jameson, Asst. Secy for Administration
- -- Automation,
- -- Personnel matters,
- -- Repair and Restoration of Buildings

Richard Siegle, Director of Facilities Services
- -- Facilities issues

Major Program Directors

Frank Talbot, Museum of Natural History
- -- Major exhibit hall renovation, including no-year appropriation
- -- MSC move
- -- Impact of Master Plan Implementation on NMNH,
- -- NMNH Global Change Research,

Martin Harwit, Air and Space Museum
- -- NASM Extension,
- -- Show & Tell Landsat images vis-a-vis Global Change Research

Anna Cohn, Traveling Exhibition Service
- -- SITES changed mission/clientele and implications for financing/service

Roger Kennedy, Museum of American History
- -- Cultural diversity transitions/challenges

Mike Robinson, National Zoological Park
- -- Amazonia exhibit, International Wildlife training program

Irwin Shapiro, Smithsonian Astrophysical Observatory
-- Major Scientific Instrumentation,
-- Funding support for computers/lab equipment

Ira Rubinoff, Smithsonian Tropical Research Institute
-- Show & Tell Model of Research Vessel,
-- STRI Global Change Research,
-- Follow-up questions about Panama

David Correll, Smithsonian Environmental Research Center
-- Purchase/protection of Rhode River properties

Jim Mayo/Sharon Reinckens, Anacostia Museum (Acting)
-- Reaffirmation of the Anacostia Museum's mission,
-- Current plans

Milo Beach, Freer/Sackler Galleries
-- Exhibition reinstallation, including no-year appropriation

Elizabeth Broun, Museum of American Art
-- Acquisitions for African American art collection,
-- Indemnification for domestic exhibitions

Jim Demetrion, Hirshhorn Museum
-- Art museum storage problems
-- No-year funding for acquisitions

Alan Fern, National Portrait Gallery
-- Design & reconstruction of old GPO building

Dianne Pilgrim, Cooper-Hewitt Museum
-- Need for base Federal support for exhibitions, education, publications and collections

Sylvia Williams, Museum of African Art
-- Adverse effect of tax law on donations of art works

Susan Hamilton, Archives of American Art (Acting)
-- Increased access to the collections,
-- Collections management needs

Bill Moss, SI Archives
-- Impact of info systems/facilities deficiencies on archives

Barbara Smith, SI Libraries
-- Smithsonian Institution Bibliographic Information System (SIBIS),
-- Lack of library resources

Selected Other Attendees (Prepared to Answer Questions Only)

Dan Appleman
-- Scientific computing

Bob Burke
-- Security

Peter Powers
-- Legal matters

Jim Sims, Office of Museum Programs (Acting)
-- OMP role in National Museum of the American Indian training
-- Training generally

Claudine Brown, African-American Project (Interim)
--African American project

Kimberly Camp, Experimental Gallery
-- Experimental gallery in the Arts and Industries Building

Ann Bay, Office of Elementary and Secondary Education
-- Smithsonian role in formal education

Richard Kurin, Office of Folklife Programs
-- Displacement of Folklife Festival from Mall

Lambertus van Zelst, Conservation Analytical Laboratory
-- Importance of scientific research equipment

Mr. YATES. The biography of Mr. Early will also be included in the record.

[The biography of Mr. Early follows:]

JAMES COUNTS EARLY BIOGRAPHY

James Counts Early arrived in Washington, D.C. in 1971 to pursue a Doctorate in Latin America and Caribbean history at Howard University. By 1972, he had become fully engaged in Washington cultural life and community politics as he joined Ralph Rinzler and Bernice Reagon in developing the African Diaspora Program component of the Smithsonian Festival of American Folklife, and assumed an activist role in various political issues such as anti-Klan coalitions and peace and solidarity activities focused on Latin America, the Caribbean and Southern Africa.

Mr. Early has consistently espoused recognition of the integrity of historically evolved values and cultures of African-American, Latino, American-Indian, and Asian-Pacific American communities. He has been a long-time advocate, supporter, and worker for cultural diversity and equity in the nation's public cultural and educational institutions.

Since 1976, he has worked in the following capacities: Research Associate for Documentation and Public Programs at the Howard University Institute for the Arts and Humanities; Humanist-Administrator at the National Endowment for the Humanities; and Deputy Assistant Secretary, Smithsonian Office of Public Service. Recently, he was appointed Acting Assistant Secretary for Public Service.

Mr. YATES. Mr. Early, your biography says that you arrived to pursue a doctorate. It doesn't say you got it.

Mr. EARLY. That's absolutely right. I left without it.

Mr. YATES. Are you still pursuing it?

Mr. EARLY. No, not at this point.

Mr. YATES. Okay. Glad to have you aboard, Mr. Early.

Mr. EARLY. Thank you.

Mr. YATES. All right. Now, Mr. Adams' statement may go into the record at this point.

[The prepared statement of Mr. Adams follows:]

STATEMENT OF ROBERT McC. ADAMS
SECRETARY OF THE SMITHSONIAN INSTITUTION
BEFORE THE
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON APPROPRIATIONS

APRIL 18, 1990

Mr. Chairman and Members of the Subcommittee

It is my privilege to appear again before the Subcommittee to share with you some reflections on the present state and future directions of the Smithsonian and to testify on behalf of the Institution's FY 1991 budget request. I would like to express my deep appreciation to you for your continued support of the programs and activities of the Institution in this time of epochal change and accelerating international developments, in Eastern Europe, in Germany, in South Africa, in Central America, and even in the Soviet Union.

These events, I believe, provide a remarkable setting for our own Institutional stocktaking and direction. Unfolding before our eyes has been a wide, often sudden, and seemingly unplanned array of extraordinary world changes. Some of them have genuinely empowered and facilitated the forces of reform, others merely recognized and legitimated them, and still others have patently attempted, with what I hope is only temporary success, to stifle massive, spontaneous movements toward human rights and democratization. What better background could there be for our own Institutional consideration of the interplay between structure and function; between vision and reality; between status quo perspectives about knowledge, culture and the arts, and the challenges of cultural pluralism brought on by rapidly changing demographics in our country?

In giving form to these considerations over the next several years, the Institution will seek to apply resources to three general areas of endeavor. Our budget request for FY 1991 and our recent Five-Year Prospectus highlight steps that I believe will be seen as encouraging and facilitating needed changes in our own outlook and program, rather than marking time as both national and world events overtake us.

Our total request for FY 1991 is $307.7 million. After meeting uncontrollable cost increases for such items as utilities and pay, the requested Salaries and Expenses increase amounts to $15.7 million. A total of $51.5 million is sought for facilities construction, construction planning, and improvements.

Infrastructure Requirements

The first point I wish to make is that the Institution has examined its capacity to be steward of the Smithsonian trust. We have found both our facilities, including our landholdings, and our program infrastructure greatly deficient to meet the growing and changing demands being placed on us by the increasingly diverse audiences that we must serve.

The refurbishment of our infrastructure encompasses many operational tasks. These range from replacing outdated exhibitions, to improving the care and custody of collections, to increasing accessibility to both collections and programs and providing our scholars with the instruments and assistance they need to carry on high-quality research. These tasks also encompass strengthening the virtually invisible support systems which are, nonetheless, absolutely essential for effective delivery of Institutional services to the general public as well as to the individual researcher outside the Institution.

I want to underscore the need to address these program infrastructure requirements by highlighting one critical area: the application of advanced technology to information processing. The term "information processing," which once referred exclusively to installed computing systems and their support functions, is now used in most large corporations to characterize the flow and control of all information throughout an entire organization. While we have made progress in updating our computer systems over the past several years, the Institution's ability to fully utilize advanced technology to foster more effective information processing in this broader sense is still woefully inadequate.

It is imperative that we begin to incorporate more strategic thinking with regard to our information systems. This thinking will get right to the core of many Smithsonian management issues, allowing us to design and implement systems to serve our needs, as opposed to predetermined, piecemeal solutions offered by systems already in place. The advantages of a more rigorous and aggressive information management plan are many. To enumerate a few:

-- more rapid and inclusive communication among the bureaux and departments of the Institution through distributive processing, electronic mail and file sharing facilities;

-- less opportunity for redundant systems development work;

-- more coordinated and focused planning with regard to information use throughout the Institution;

-- potential cost savings by minimizing duplicative start-ups; and

-- the utilization of collection, research and administrative information in ways never before possible through cross-referencing and online access.

Making the full use of today's (and tomorrow's) technologies will require significant long-term investments in resources, well beyond what our available base funding can support. However, like our various other program infrastructure needs, these additional resources do not constitute new or growing programs, but rather necessary funding to carry out current programs more effectively and efficiently. Addressing these infrastructure gaps is the only solution to both meet today's research, education and administrative objectives and lay the foundation for future advancement.

To begin to address our varied infrastructure needs, our request focuses on resources for automated and other systems for daily management of the Institution's programs, for uninterrupted improvements in the instrumentation available for research, for exhibits reinstallation, and for other stewardship responsibilities. Approximately $7.5 million is being sought for the Institution's operating infrastructure, including $4.4 million for SAO's two major telescope projects, $1.2 million for information systems, and $0.9 million for the replacement of permanent exhibits. These requests are vital for the proper functioning of various parts of the Institution. For example, the major instrumentation projects are the single most important part of the infrastructure of the Astrophysical Observatory, whose world-class research depends crucially on the availability of such instrumentation.

In addition, approximately $43.4 million in our FY 1991 construction-related accounts is requested for facilities infrastructure requirements. This amount will continue our major capital renewal program ($13.9 million), repairs to buildings and projects for compliance with various structural codes ($14.7 million), and construction planning, modifications, and improvements to Smithsonian facilities ($8.1 million) and to National Zoological Park facilities ($6.7 million).

Major projects in the Construction account which address facilities infrastructure deficiencies include the construction of a floating laboratory for the Tropical Research Institute to replace a shore-based facility which can no longer support STRI's marine research needs; a total of 20 different projects as alterations and modifications to existing Smithsonian facilities; and the design of an East Court infill building for the National Museum of Natural History to help address its space needs for the immediate future. In addition, with construction planning funds, the Institution is continuing to develop its plans to renovate the General Post Office Building, which will be essential to the solution of the critical space needs faced by a number of the Smithsonian's programs in the research and public presentation of American art.

Construction of this infill building is critical to the Institution's plans for the National Museum of Natural History to enter the 21st century substantially renovated and revitalized, with completely new mechanical systems throughout the building and many new public exhibit halls. We also plan to fully occupy the Museum Support Center by that time. The Natural History renovation is a complex undertaking involving the timely orchestration of several major, interdependent projects that must proceed in concert. If any project gets out of phase, it will have a domino effect on the entire process, and the consequences likely will be costly in human resources as well as in financial terms. The mechanical systems need to be replaced without evacuating the building or disrupting to a major extent the exhibition, public and scientific research activities of the Museum. We are considering ways to provide some staging space for programs and activities in this new East Court infill building of the Museum; to continue the rehabilitation of the exhibition galleries; and to greatly increase the Museum Support Center move activity in order to "free up" the necessary space in the Natural History Building for the mechanical renovation to progress on schedule and to provide access to those areas in the Museum that require asbestos containment. The FY 1991 Construction budget contains a request of $1.5 million to design the East Court building and $10.140 million for the continuation of activity on the mechanical renovation. Finally, the Institution will continue to seek additional resources to support adequate levels of funding for the equipping and move of collections to the Museum Support Center.

As a matter of information to the Subcommittee in the context of our facilities planning and infrastructure needs, I should mention that we expect to issue shortly a Request for Proposal to obtain offers for a larger replacement facility for our presently leased North Capitol Street Building. This building will serve a wide range of specialized uses, such as exhibition preparation and printing, that support activities both on the Mall and in other Smithsonian operations off the Mall. We are exploring all options for funding such a replacement facility. Given the construction priorities before us, it is likely that the best way to acquire this facility is under a lease-purchase arrangement with a private developer similar to the approach used for the International Cultural and Trade Center. Following our investigation, we expect to present a proposal in the FY 1992 budget.

In regard to longer-term construction priorities, I might mention here that all options for funding the National Air and Space Museum extension, for which the Dulles International Airport site was recently approved by the Regents, are also under consideration. Institutional discussions continue with officials of the Commonwealth of Virginia and other potential supporters.

Exemplifying the Nation's Pluralism

Second, I believe that an overarching responsibility for preserving and articulating the nation's cultural heritage is likely to be the Smithsonian's greatest challenge for a good many years to come. The Smithsonian is here to engage and to serve all segments of our population, as well as to address a worldwide community of scholars and audiences. It cannot narrowly favor, idealize, or reify purported "mainstream" cultures or values. Ours is a multiracial, pluralistic country. Museums can and should play an important role in dispelling the negative stereotyping of race, ethnicity, and gender. We must assure that our employment, education, and outreach efforts are sensitive and responsive to the conditions, needs, and aspirations of our many audiences and professional sectors.

Therefore, the Institution in FY 1991 is seeking $15.4 million to exemplify the nation's growing cultural pluralism. Of special note in this regard are the gratifying endorsement and support of Congress and the President for the Institution's newest endeavor in this direction, the creation of the National Museum of the American Indian.

This new National Museum is at the forefront of our undertaking. Nothing is more appropriate, I believe, than for the First Americans to be at the head and heart of our effort to study, interpret, and celebrate the diverse cultural experiences that constitute this Nation --and for their Museum to become a flagship of hemispheric cultural diversity.

With the formal establishment of the Museum this past November, initial planning and design of programs and facilities for the Museum are proceeding on schedule. The Institution and the Museum of the American Indian, Heye Foundation, are obtaining approval by the Supreme Court of New York for the transfer of the Foundation's collection and other property, and we are looking forward to the completion of the transfer in the near future. The Board of the new museum, established at the most recent meeting of our Regents, includes in its membership leading Indian scholars and administrators, drawn from a number of various tribes. In addition, in January, the Institution began the search for architectural and facilities services.

I want to emphasize that this Museum, to an unprecedented extent, will "belong" to Native Americans. Under Native American leadership, the Museum will be devoted not to the timeless past of Hollywood mythmaking (or to the too-frequent misconceptions of school textbooks) but to the full intellectual, artistic, and cultural achievements of a living people--a heterogenous people with many beliefs and forms of material expression who speak to the world in many voices of their hopes and tragedies and permanent places in the family of humanity.

Our budget for FY 1991 calls for the next increment of resources to translate this vision into reality. An increase of $5.3 million in the S&E account is sought for program development and operations, and $8.1 million in the construction account will advance the planning and

design process for the Museum's facilities in Washington and New York City.

To further exemplify the Nation's pluralism, the Institution is requesting additional funds to commemorate the Quincentenary of the arrival of Columbus in the New World. The activities that the Institution is preparing will in no sense deny the importance of the single act of "discovery" by an intrepid navigator but will focus instead on the vast, prolonged, and absolutely unprecedented "encounter" between streams of civilization that had previously been unaware of one another.

The significance of this encounter towers above the origins of this or that kind of government or even the fate of this or that group of humans. The encounter marks one of the major discontinuities in the course of life on this planet. Measuring its influence requires reference to a scale of time far greater than historians or archaeologists normally consult.

The changes to manifold cultural processes wrought by the encounter transcend the discoveries of the great geologists, biologists, and thinkers of the eighteenth and nineteenth centuries. To find comparable changes we must go back beyond recorded time to the divisions between the periods of geologic history that were characterized by the separation of continents, the rising up of mountains, and the draining of inland seas. The activities we plan will highlight the permanent importance of this unique juncture in human history.

The National Museum of the American Indian and the Quincentenary commemorations provide the basis for gaining new Institutional experience in fulfilling responsibilities to exemplify cultural pluralism. As we proceed, these experiences will set the pattern for the Institution's national and international outreach. The pattern will help shape, for example, the expansion and incorporation of African American programs and facilities on the Mall. This effort will differ in detail from the National Museum of the American Indian and the Quincentenary, but it will be informed by the same vital force of cultural pluralism. Before plunging ahead with major new collecting capabilities, programs, or facilities, the Institution is deliberately taking into account the important needs and potentialities of the African American Museum Association with its hundred or so members. Our current planning and program development process is designed to guide and expand initiatives leading to a new entity for the study and public exhibition of African American history, culture, and art. This entity could be a research center and archive, a noncollecting gallery, an extension of an existing museum, a trust for the promotion of established African American programs and museums, or a new and separate facility. At the same time, through this new initiative, the Smithsonian will be able to identify ways to enhance current African-American programming throughout its other museums and programs, including the Museum of American History, the Anacostia Museum, SITES, the Office of Folklife Programs, and the Institution's art museums and research bureaus. Our planning will

ultimately benefit from the counsel of distinguished members of the academic, cultural, and corporate communities and from the examination of African American programs at the Smithsonian and throughout the country.

To further our exemplification efforts in these various regards, including related efforts such as the repatriation of skeletal remains and funerary objects and special multicultural employment initiatives, the FY 1991 budget contains a request for additional resources of $2 million.

Understanding the Global Environment

A third major focus in this year's budget for advancement of Institutional research specialties over the next years involves the Institution's interests in monitoring, understanding, and moving to arrest the deterioration of the global environment. This is a crucial focus of Smithsonian effort, given our long tradition as a world center of research in natural history and our concentration of expertise in many of the relevant fields.

Several daunting, intersecting aspects of global environmental degradation have compelled us to consider carefully where our comparative advantages as an Institution direct us to place our primary attention. One is its enormous scale and complexity, dictating scientific efforts of unprecedented size that call upon the collaboration of specialists in many disciplines and many countries. Another is the incomplete understanding around the world of potential interactions among governing parameters of environmental change that could lead to sudden and serious permanent results. Still another is the inadequate base of information, especially long-term data, on which models of dynamic interaction can be tested and extended to provide reliable predictions.

The Institution's initial contribution to the massive scientific efforts now under way will focus on one of our greatest traditional centers of strength, the study of tropical rainforests. Tropical deforestation is a most devastating element in the present complex of destructive environmental changes.

The annual burning of tropical rainforests generates a billion tons of excess carbon to the atmosphere, contributing perhaps a fifth of the increasing proportion of carbon dioxide responsible for the "greenhouse effect." Quite apart from this, deforestation has catastrophic, irreversible consequences for maintaining hydrologic cycles, landscapes, soil stability, biodiversity and the way of life for many indigenous peoples.

Efforts to understand the impact of deforestation must begin with securely established species identification and classification. This is, of course, a major concern of our National Museum of Natural History. Equally crucial to the same set of efforts is the Smithsonian Tropical Research Institute in Panama, with its

understanding of neotropical rainforests that draws upon nearly 70 years of ongoing studies. At SERC, studies continue on the effects of increased CO_2 on plant growth, since plant responses will be important in predicting the rate of increase of CO_2 in the atmosphere. In addition, we need to increase our understanding of survival and propagation methods for various species of plants and animals for future research benefits to agriculture and medicine and for social and economic uses that have yet to be discovered.

The $1 million increase contained in this budget encompasses the Institution's screening of important ways it can immediately increase its contribution to understanding and eventually arresting the processes of global environmental deterioration. It has been widely observed by the international scientific community that some of these processes, originally more controllable because they were localized and hence partially isolated from one another, are now spreading and ominously converging to suggest the onset of a deep-seated and intractable crisis. International means of coping with these processes urgently need to be addressed, and the Institution is determined to strengthen its participation in related scientific efforts.

Some Issues Bearing on FY 1990

Our financial operations for the current year are under continuing scrutiny as we take action to respond to the Gramm-Rudman-Hollings reductions, to the need to absorb pay and utility costs within our S&E account, and to a significant decrease of income from our auxiliary activities. We anticipate curtailing expenditures in both our federal and trust budgets to offset these reductions. Unfortunately, due to these factors it will not be possible to offer extended hours this spring and summer. The cost of extended hours has increased, now amounting to approximately $525,000. Most of this expense is for additional summer staff within our Office of Protection Services, which this year had to absorb a budget reduction of $1.2 million related to the above set of factors. Funds for summer hours are not available elsewhere in the Institution on account of these same factors, and efforts to raise such funds in the private sector have been unsuccessful.

We are also making a careful assessment of the extent to which our operations in Panama have been disrupted by the recent events in that country. We are thankful that our people suffered no injury and no loss of life, and we sustained no significant harm to facilities, ongoing research, or other activities. Our review will reflect our increased concerns about the security of our various activities and sites--in particular the protection of forests and their human and animal populations.

As the Subcommittee may be aware, legislation has been introduced by our Congressional Regents to establish a Smithsonian Institution Senior Service. This proposal is aimed at assuring that we are not disadvantaged by pay raises for the Senior Executive Service. The

Smithsonian is not in the SES by determination of the Office of Personnel Management. Salaries for our civil service senior staff, including senior curators and researchers, are on the General Schedule, and they threaten to lag far behind comparable jobs in the SES. Congressional support for the Smithsonian legislation is critical in order for us to be competitive.

With these thoughts, I close my statement.

STEWARDSHIP OF THE PUBLIC TRUST

Mr. YATES. It is customary at this time to have Mr. Adams tell us about the Smithsonian. I think maybe I would like to direct him for a moment. Mr. Adams, as I was reading through your justifications, I noticed on page 2 something that caught my eye, which was stewardship of the public trust.

I will read from page 2, "Review of the resource requirements necessary to carry out the public trust and to achieve the Institution's goals makes it evident to Smithsonian management that the majority of these requirements do not represent new or expanded service levels. Instead, most of these requirements constitute a growing backlog of resource deficiencies that have reached critical proportions. These deficiencies now jeopardize the Institution's ability to manage the National Collections it holds in trust for the American people and its ability to increase knowledge and understanding among future generations." That's kind of a shot across our bow, I think. I guess that's kind of a mixed metaphor.

We couple that statement with the statement in your document entitled "Choosing the Future," and I invite your attention to page 65 which indicates how you expect this budget to grow. You start out for 1991 with $256 million for Federal salaries and expenses. You go by leaps and bounds through the next three years to 1995 where you have a budget of $415 million. I take it that is from Federal appropriations. Is that correct?

Mr. ADAMS. Yes.

Mr. YATES. That is another $200 million in Federal appropriations. If I can switch back to your justification for a moment, your statement says that you're not going to be able to carry out your mission for the American people because you just don't have the money. What are we going to do with Gramm-Rudman? What are we going to do with a few of the other things? For instance, how are we going to cope with all of this? Is this our problem and not yours?

Mr. ADAMS. Well, obviously——

Mr. YATES. Now I invite you to speak, Mr. Adams. [Laughter.]

Mr. ADAMS. I'm, frankly, pleased that the items you just specified caught your attention because, in a sense, they direct——

Mr. YATES. It's like being hit by a 2 by 4. [Laughter.]

Mr. ADAMS. But it directs the attention of the Committee and, maybe in the discussion that will follow this morning, it directs all of our attention to something other than the usual budgetary presentation where we are dealing with the minutia of particular programs. I think those general statements do catch a sense of very serious concern that is present throughout the Smithsonian staff. I think you'll be hearing more about it from many of the people who will speak here today.

Mr. YATES. Can I interrupt a moment just to say that the figure I have cited from in "Choosing the Future," was only for salaries and expenses.

Mr. ADAMS. Right.

Mr. YATES. It didn't deal with your construction items at all. How much more does that entail? How much more for the same period?

Ms. SUTTENFIELD. We're looking at major construction projects over the next 10-year horizon, and we have identified a series of new construction projects with costs ranging from $50 million to $70 million per year.

Mr. YATES. Per year?

Ms. SUTTENFIELD. Per year.

Mr. YATES. So that's another $300 million over the next five years. That's $200 to $300 million in the next five years.

Ms. SUTTENFIELD. That's correct.

Mr. YATES. Okay.

Mr. ADAMS. Now may I continue?

Mr. YATES. You may.

Mr. ADAMS. Obviously, we share the concern, and the entire American people share the concern of the Congress with the size of the Federal deficit and the question of the levels of funding that are appropriate for any federally funded activity. At the same time, I feel, as the phrase puts it in this book here, that we are charged with a piece at least of the stewardship of the public trust.

I don't think that we can afford to neglect major elements in that public trust which need to be brought to the full attention of the Congress and which there may indeed not be funds to move forward with. Elements which we may indeed have to move forward much more slowly on, let's say, than what we think would be appropriate. To exclude them from this discussion is to take them out of the public eye and to say that these are not elements that are central to what the Smithsonian's mission is.

My own choice—and I think this is my personal choice—is instead to include these items and to recognize that we may very well not be able to go forward as rapidly as we want, and we may have to set aside some entire elements of this program. I think all of these elements are absolutely central to the mission of the Smithsonian, and I think I prefer to put down the full cost if this were to go forward, and then to make what reductions we have to as we're confronted with budgetary realities. I don't think it makes good sense to leave them out of the presentation.

Mr. YATES. I agree.

Mr. ADAMS. The situation that we——

BUDGET PRIORITIES

Mr. YATES. Having said that, do you have a list of priorities in the event that, due to project constrictions, the Congress cannot give you all the money that you need to initiate it?

Mr. ADAMS. Well, let's say that we obviously are prepared to adapt to what we get. We know that we propose and the Congress disposes. I don't think that it would be useful for us to construct a sliding scale of steps we would take in the light of various levels of reduction that were imposed on us by the Congress. We will work with what we get. We understand that we have the same responsibility as any other Federal agency does to——

Mr. YATES. Well, this is true, and that's why I asked the question. Do you have a list of priorities? Or don't you know where you're going until you know what you're getting?

Mr. ADAMS. I think we need to know more about what we're getting before we can cut into that list of priorities. It is also the case that——

Mr. YATES. Well, do you not have a number one priority? Or a number two priority? I sense from reading your justifications and your statements that your Indian Museum is pretty much at the top.

Mr. ADAMS. I would say that was at the top of the major construction items.

Mr. YATES. Somewhere along the line you want to reorganize SITES and launch that with a little more money.

Mr. ADAMS. I intend to mention that in a few moments. That is something that I think we need to move on in this budget that is before us now rather than looking ahead five years.

Mr. YATES. Well, that's what I want to know. What do you want us to do that is critical in this budget? We have gone into what you have to do over the next three, four, or five years as far as expenditures are concerned. We're talking about 1991 now.

Mr. ADAMS. Speaking of 1991, I would say that it is more important than any other single thing that I can see on the horizon that we make some effort, in spite of OMB's action to the contrary, to federalize the Traveling Exhibition Service to a greater extent and to make it more capable of serving as the central, or one of the central, areas of Smithsonian outreach because that's what it does. It has been operating for too many years basically on a principle that it was to pay its own way, which required that it deal with very expensive, showy exhibits in order to recover the funds to operate at all. It ought to be dealing with exhibits that are available to a wide range of museums that, in many cases, have very limited resources. From that point of view, I think it is imperative that we do something to improve the position of the SITES.

I don't want to speak to the details. I think Mr. Freudenheim would be better consulted on the details of such an area.

Mr. YATES. I think you'll have to try to find a friend in Mr. Darman because Mr. Darman wasn't very kind to you, was he?

Mr. ADAMS. That's right.

Mr. YATES. I look at the summary of the budget request, and you got an increase for your American Indian Museum, but poor SITES got itself really whacked, didn't it? You started out with a request of $5,500,000, and you cut it down by $3 million plus to OMB. OMB took away almost $2 million. That leaves you with $874,000 for SITES. In other words, OMB is telling SITES to go out and raise the money itself, is it not?

Mr. ADAMS. I think that would be implicit in that. I think it is an unfortunate message.

Mr. YATES. I do, too, but there is quite a discrepancy between $874,000 and $5,500,000. How much of that do you want put back?

Mr. ADAMS. I'd rather have Mr. Freudenheim speak to that on the basis of more information.

Mr. YATES. All right. We'll go into that later.

Do you want to go back to your statement?

Mr. ADAMS. Let me make a few more points, if I may.

Mr. YATES. All right. Make a few more points, and then we'll go into the rest of the questions. The statement is in the record.

Mr. ADAMS. Yes.

Mr. YATES. We've read it. We've digested it. We have heartburn. [Laughter.] You may make whatever other points you want to.

DEFICIENT INFRASTRUCTURE

Mr. ADAMS. I think we do confront a pervasive situation of, as it says there, "a growing backlog of deficiencies in programs and infrastructure." I'd like to give just a few examples that illustrate the present extent of the problem.

Mr. YATES. This is not a very happy meeting.

Mr. ADAMS. It is not a happy meeting.

Mr. YATES. Usually I look forward to these hearings as being upbeat. I must say that we're going to have to pull ourselves up by our bootstraps here.

Mr. ADAMS. Mr. Chairman, we're running currently at about a 10 percent vacancy rate in the positions in the Smithsonian. There is normally, of course, some turnover. It is normally at the rate of about 5 percent. The additional vacancy rate is because positions are being held back, mostly at the bureau level, because they do not have the money to fill those positions and go forward, positions that in many cases are essential elements in ongoing programs. That kind of problem is more serious than it looks because the vacancies occur due to turnover in a random way, and the needs, of course, may not correspond to the places where the vacancies occur. The only way in which bureaus are able to maintain themselves at all is to take the vacancies where they can get them and use those funds in order to keep going.

This is a situation that is very dangerous to the continuity of some of the major programs of the Institution. The National Museum of Natural History, for example, has 50 vacancies that are on freeze at the moment, simply in order to sustain itself.

Other kinds of problems that arise periodically are perhaps reflected by the SR–71 that the Institution recently received from the Defense Department. This reconnaissance aircraft, which is an important addition to the collections of the National Air and Space Museum, is sitting on the tarmac out at Dulles. It will sit there in the open for as many years as it takes us to be able to cover it. It would cost $100,000 to cover it. It is one of many other aircraft or spacecraft that are uncovered.

I might point out that we are still in the process of trying to reconstruct the Enola Gay which was left in the open for 16 years and has taken already 20 person-years of effort in order to repair the damage that occurred during that time.

Mr. YATES. Where is the Enola Gay?

Mr. ADAMS. It is out at Silver Hill being reconstructed at this point.

I guess my point is that maintenance of one's collections is normally the first duty of a museum but, if you have no place to put these things, in fact you are incurring long-term obligations for reconstructive maintenance that doesn't have to be paid this year but that are accumulating. That's the character of so much that is going on here. It isn't that we come to a screeching halt at one moment in time or that some catastrophe immediately meets the

public eye. It is, rather, that there is a continuing running down of systems which, in the end, are going to have to be repaired at an even greater expense.

That running down of systems, accompanied by a disparaging sense of the slowing down of the whole apparatus so that you lose some of your best people who become discouraged in this process, has an affect on personnel and not simply on bricks and mortar, or on collections, or on instruments, or whatever.

I think that one can continue with something like the same pattern through our entire information processing establishment which, again, is grossly behind its equivalents in major universities and research laboratories, and so on. It cannot be brought up to speed even with the funds that we might, at the very best, hope to get in the budgets in the years ahead.

The same can be extended to the condition of the books in our library and the papers in our archives, a subject on which you touched last year at some length. In area after area we see this kind of running down of systems that has decreased the quality and the morale of the Institution in a way that is cumulatively very disparaging and very damaging. I think that's really the major point I'd like to make.

The Folklife Festival, which in many ways is the hallmark of the new Smithsonian in the sense that it represents a very broad forum of popular participation, really creates a dialogue on the Mall between people who are not simply passive participants or passive witnesses of a museum exhibition, but are the creators of that exhibition and part of that. The line between the public and the performers virtually disappears in that process. That is going to be a much reduced operation this year because of declining fund availability.

Again, nothing appears in public that makes that instantly a matter of grave public concern, let's say, but the net effect is that one of the Institution's important programs is ceasing to be what it was and what it could be. I need to bring that to the attention of the Committee.

I think I'll leave my remarks there and let you proceed with your questions.

Mr. YATES. Is this very unhappy picture reflected in the activities of the Smithsonian? What about your museums, for example? Are your museums not receiving the funds that they should be receiving?

Mr. ADAMS. Well, I think there is no doubt that we're able to move ahead only more slowly than we should with regard to the creation of new exhibits, for example. You, I'm sure, will be asking about the condition of the collections and the records on the collections. I think you'll find in every one of these respects that what I'm describing has its own immediate reflection.

DEFICIENT RESEARCH INFRASTRUCTURE

Mr. YATES. Let's take a look at your schedule. You suggested that perhaps it should happen in a certain order.

Mr. Hoffmann, we're delighted to see you again. I noticed on this memorandum that I have that you want to tell us about global

change. Glad to see you. You also want to tell us about bio and cultural diversity, research infrastructure needs, and Columbus quincentenary programs.

Well, let's hear it for global change. Do you take that more seriously than President Bush does?

Mr. HOFFMANN. I think we both take it seriously. I will have to say that his call for more research in this area, while it was greeted with a certain skepticism on the part of some scientists, is something that we can support, obviously.

My responsibility is for scholarly research at the Smithsonian. Since the very beginning of the Institution, this has been a foundation of its activities, often a hidden foundation, not very widely perceived by the public, but it does form a basis for the public programs as well as being a positive good in its own right. Our problems are very much like those generally indicated by Secretary Adams.

Mr. YATES. You mean no money?

Mr. HOFFMANN. That is the proximate problem. The cause of the present situation is that over the years, with inflation and other uncontrollable costs forcing the Institution to take funds from its basic research infrastructure in order to meet increasing salaries, for example, there has been less and less money available to maintain this research infrastructure. Just as a city requires certain basic functions—roads, bridges, sewer system, water system—so, too, any research program requires that there be basic infrastructure such as laboratories, equipment, field sites, and research support of the kind that is essential if you're going to carry out that original research.

It takes a minimum of 10 to 15 years to build excellence in a research program. It takes only a few years to destroy that excellence.

Mr. YATES. Which part of that procedure are you on now?

Mr. HOFFMANN. I am afraid that we are teetering dangerously close to the edge of starting to lose our best people and to be unable to replace obsolescent equipment.

Mr. YATES. Why is that?

Mr. HOFFMANN. Because in some cases there have never been funds appropriated, for example, for regular equipment replacement. We have tried to take it out of end-of-year funds. We no longer have that option because that is going to pay the water and sewer and other things that have not been budgeted. As salaries have increased, we are competing with the universities. Their salaries increase and, in order for us to hold our people, we have to pay more. The only source of those funds is to divert it from supplies and materials, minor equipment, and equipment replacement in order to hold the core of our research enterprise which are the scholars.

Mr. YATES. What is the nature of your research? What are we talking about where you're losing these people?

Mr. HOFFMANN. We're losing them usually at the higher levels. For example, when we bring people in, we usually do it at the junior level. We nurture them. They achieve national and international reputations, and they reach a point where we can no longer defend them against the blandishments of a Michigan, or a Prince-

ton, or a private research organization, and so they tend to leave. We have lost, for example, in the Astrophysical Observatory, several good people recently because we simply could not offer them the salaries and working conditions that were competitive with other places.

Mr. YATES. What about the prestige of working for the Smithsonian?

Mr. HOFFMANN. It is important, and this is one of our major attractions. This is particularly true in certain areas where, for example, in systematic and evolutionary biology we have the great national collections. A biologist's interest in working with those collections is attracted, and that is fine, particularly for junior people. There comes a point when some of these folks realize that their careers would be benefitted if they were to move.

Mr. YATES. All right.

GLOBAL CHANGE RESEARCH

Mr. HOFFMANN. So that is a general problem. It impacts on scholarship throughout the Institution. More specifically, everyone, including President Bush, recognized the problems of global degradation. This is, in part, the issue of global warming. Now whether or not warming is really occurring is, in my mind, less significant than the problems we know to exist, such as increases in so-called greenhouse gases like CO_2 and methane.

Mr. YATES. Has the time come to take action? Or is it still in the research period?

Mr. HOFFMANN. My personal opinion is that we know enough that the time has come to take action in certain areas, but that does not mean there ought not to be considerably more research.

Mr. YATES. That I agree with. I wondered whether there are steps that should be taken on the basis of research.

Mr. HOFFMANN. The Smithsonian, since it is not a Federal agency, is not in a position to establish policy.

Mr. YATES. If you're not a Federal agency, why are you getting Federal appropriations?

Mr. HOFFMANN. Because we are a Federally-funded trust institution.

Mr. YATES. I see. Okay. [Laughter.]

Mr. HOFFMANN. In any case, the Smithsonian——

Mr. YATES. Well, you have made some progress. [Laughter.]

Mr. Powers used to contend that you were a private institution. Didn't you do that, Mr. Powers? What did you say? [Laughter.]

Mr. POWERS. I trained him very well.

Mr. YATES. Oh, you've done very well, yes. [Laughter.]

Okay. Go ahead.

Mr. HOFFMANN. In any case, the Smithsonian has, for many years, conducted research in the area of the global environment, going back even 100 years ago with the establishment of the Astrophysical Observatory. Work began, too, on the study of the sun. This is work that continues.

In addition, SAO is carrying out research on atmospheric chemistry and physics which directly relates to this issue of global warming in the atmosphere.

Mr. YATES. Did you do that yourself? Do you do that by grants? by contracts? by outside research?

Mr. HOFFMANN. Both. We get grants and contracts from the outside, but we also support it with our base resources. The key thing here is that it is the senior scientists in the bureaus that are supported by our base resources. Without them we would not be able to go out and compete for grants.

CONSIDERATION OF MOUNT GRAHAM SITE

Mr. YATES. Did you want to ask some questions?

Mr. REGULA. Mr. Chairman, since we're on this subject——

Mr. YATES. Mr. Regula?

Mr. REGULA. If you would yield, I thought it would be an appropriate time to ask about the Mount Graham situation. You're very familiar, of course, with the Wall Street Journal article, so I won't be repetitious.

Mr. HOFFMANN. It is only one of many articles on Mount Graham.

Mr. REGULA. My question is: do you plan on doing any studies of how to alleviate existing pressures on the endangered squirrel to compensate for the habitat and telescope facility used?

Mr. HOFFMANN. If by telescope facility you are referring to a Smithsonian telescope——

Mr. REGULA. Well, I assume you participate in the Mount Graham project. Is that correct?

Mr. HOFFMANN. Not quite. We are considering Mount Graham as one of two sites for a submillimeter telescope array. The other site being considered is Mauna Kea in Hawaii. The decision as to where that telescope will be sited will depend not only on ongoing studies that should be completed in perhaps 10 months concerning the atmospheric qualities at the two sites, but also on our assessment of the environmental impact of that telescope. There has been no commitment and no decision made to put a Smithsonian telescope on Mount Graham.

Mr. REGULA. And you would not necessarily participate in this $200 million observatory?

Mr. HOFFMANN. No, we are not participating.

Mr. REGULA. Then the Wall Street Journal is incorrect:

Mr. HOFFMANN. Irwin, do you want to comment on that?

Mr. SHAPIRO. Mr. Regula, Mr. Hoffmann is correct. We are not participating in that observatory. That observatory does not include the submillimeter array which may or may not be placed on Mount Graham.

Mr. REGULA. According to the Wall Street Journal, they say that the Smithsonian and the University of Arizona are getting involved in this Mount Graham. I'm not raising this as a criticism. I think it is probably a very appropriate place to put this observatory. I'm just interested in your involvement.

Mr. HOFFMANN. Well, we are involved in Mount Graham to the extent that we are considering it as a possible site. We have not yet made a decision.

Mr. REGULA. When you say that it is a possible site, would that be as a participant along with many other agencies in this major telescope planned?

Mr. ADAMS. This is an instrument of our own that would be placed there if we make that decision.

Mr. REGULA. Yes. It says there will be seven telescopes, so one of those could——

Mr. HOFFMANN. One of those might be ours. That's right.

Mr. SHAPIRO. If I might add, we would be like a guest in someone else's observatory.

Mr. REGULA. What agency? Would it be the University of Arizona?

Mr. SHAPIRO. The University of Arizona is basically the landlord.

Mr. REGULA. Okay. And they, in turn, would allocate use of some of the resources to the Vatican, for example, or the Smithsonian, or whomever. Is that correct?

Mr. HOFFMANN. Yes. Well, we would be paying for our own telescopes, but it would be sited there along with these other telescopes.

Mr. REGULA. Okay. So you still are determining whether to go to the Hawaiian site or the Arizona site. Is that correct?

Mr. ADAMS. Mr. Regula, it has been my feeling that the Regents should be presented with the full information before they are forced to make a choice. The environmental disturbance is, indeed, a factor to be taken into account when the time comes. So also are the comparative advantages of the climates of the two sites. We're simply assembling information for that decision to be made.

Mr. REGULA. I was just curious.

Mr. HOFFMANN. I might also say that we have been working with various groups to attempt to assess the situation as far as not only the squirrel, but also the entire high alpine ecosystem on this site and on other sites in that region.

Mr. REGULA. Well, wherever you put a site there is going to be some environmental disturbance.

Mr. HOFFMANN. Yes.

Mr. REGULA. Not for the red squirrel. I've seen some red squirrels there.

Mr. YATES. Well, what is the situation on Mount Graham? According to stories in the newspapers, you got a bill passed by the Congress directing the construction of the telescopes and telling the Forest Service and the Fish and Wildlife Service to forget about the red squirrel.

Mr. HOFFMANN. We did not have any part in that particular legislative maneuver. I think that it was, from our point of view, very unfortunate. It is not the kind of approach to decision making that I personally would support at all.

Mr. YATES. Has that law been passed by both the House and the Senate?

Mr. HOFFMANN. Yes. That was passed last year.

Mr. YATES. Well, I'm told by staff that it was part of the wilderness bill. It is buried in the wilderness bill.

Mr. HOFFMANN. We were surprised to learn that this last-minute rider had been attached and passed. We will, as far as our decision whether or not to build on Mount Graham, in fact carry out an environmental assessment.

Mr. YATES. Do you happen to know what the state of construction on Mount Graham is?

Mr. HOFFMANN. Yes.

Mr. YATES. Is it going forward now that that bill has passed?

Mr. HOFFMANN. No, it has been stopped by a Federal judge's restraining order.

Mr. YATES. A four-month ban on Mount Graham construction.

Mr. HOFFMANN. Yes.

Mr. YATES. So if Congress wanted to review it again, it could vacate that law?

Mr. HOFFMANN. I presume that is the case.

Mr. SHAPIRO. There was one bit of construction last fall after the law was passed and before the winter snows. They bulldozed on the order of a one-mile spur from the existing road on the mountain to get from the existing road to the location of the site for the observatory. That's all that I know of.

Mr. HOFFMANN. As I think you may be aware, Mr. Regula, there is a good deal more to be said about the existing disturbance on that mountain. It is not a pristine habitat.

Mr. REGULA. I'm very aware of that. I think that there are many advantages to having an observatory there. As I understand it, there are still lots of habitat for the red squirrel. It is not a case of destroying all the potential habitat.

Mr. HOFFMANN. The squirrel population is a very small one. It fluctuates a great deal in any case. In fact, for a decade it was not seen and was thought to be extinct. Various impacts, going back to logging beginning in the 1920s, an introduction of an exotic squirrel, and other things, have had major impacts on the squirrel populations before the observatory site was even considered, so it is a complex business.

Mr. REGULA. As I understand it, there has been a lot of activity in support of the camping, and the logging, and a whole host of things that has taken place on this site in prior years.

Mr. YATES. At the hearing on the Fish and Wildlife Service, we said, how can they do that? Okay, you are researching.

LONG-TERM GLOBAL CHANGE RESEARCH

Mr. HOFFMANN. That's right. I was about to just say a bit more about our global change research program since this is one of the things that we are asking for an increase for in the 1991 budget.

I'd like to just point out that the Smithsonian has an advantage over research organizations in some other parts of the Government in that it can commit itself to long-term research in this area.

Mr. YATES. Rather than by year?

Mr. HOFFMANN. That, and even compared to universities, where often research is dictated by a rather short-term emphasis on studies that will result in quick publication in order for the scholar to obtain tenure. We have a rather more stable long-term viewpoint. This has been a tradition at the Smithsonian.

For example, our Environmental Research Center has the longest record of ultraviolet-B radiation in existence as a result of our having committed to establishing this program some years ago. Similarly, we have a longer record in tropical climate and, in particular, rainfall change as a result of our Tropical Research Institute having begun long-term monitoring in Panama. We can demonstrate that there has been, for example, a 20 percent decrease in rainfall over that watershed.

So we have the ability to establish and maintain these long-term programs which are going to be absolutely essential to us when it comes to questions like, "Is it really warming up?" Without a long-term record, you cannot establish any certainty in these fields.

GLOBAL WARMING

Mr. YATES. How long do you think it will take before we know whether it is really warming up? Has that been affected by the amount of money and research?

Mr. HOFFMANN. In part, but it also depends on the nature of the process itself. One of the difficulties we have is that we can show, without question, that there has been a rapid increase in CO_2 and methane in the atmosphere. Now our understanding of how those gases affect the temperature balance of the earth would suggest that this is going to cause an increase in average temperature.

The difficulty is that weather is notoriously so changeable and so variable that all of the natural variations tend to obscure any long-term trends. If the process of warming itself increases the amount of variation in the weather, that will lengthen the time which it will take us to be able to say unequivocally, "Yes, it is warming up," at which point we will have lost that much more time to take corrective action.

A prudent person, I should think, would say that it was to our advantage, even if it turns out that warming is not occurring, to begin to clean up the air because of the other benefits accruing from that. Naturally, there are economic costs to consider, but the fact that we can't say for sure that warming is occurring does not mean that we ought not begin to take certain actions.

Mr. YATES. Where is the Smithsonian's role in the confederation or group that is attacking this problem?

Mr. HOFFMANN. This is organized and coordinated through the Committee on Earth Sciences that is chaired by Dallas Peck, the chief of the USGS. We are observers.

Mr. YATES. Does that mean he is more important than you?

Mr. HOFFMANN. Well, I'm sure that a lot of people are more important than I am.

Mr. YATES. I didn't mean you per se; I mean the Smithsonian.

Mr. HOFFMANN. The Smithsonian quantitatively does not have the large programs that many of the agencies do. We spend about $3 million of our research budget on global environmental research.

ACID RAIN RESEARCH

Mr. YATES. Do you also do research on acid rain?

Mr. HOFFMANN. Yes, we do, not only acidity but on other——

Mr. YATES. Is this part of the same research program?

Mr. HOFFMANN. That's right, at the Environmental Research Center on the Chesapeake Bay. There we are doing studies of ultraviolet radiation, of atmospheric pollutants, not only acid rain, but also other various kinds of solid particulate pollutants. We are studying experimentally the effect of raising the CO_2 atmosphere in which a plant is growing to see how the plant will respond. This is important for us to know. If CO_2 is increasing, how does the plant react to that? Does it react by taking proportionately more carbon dioxide out of the air or less? Does it respond by accelerating its growth, or is it stunted? These are the kinds of things we need to know.

Mr. YATES. Has acid rain started the CO_2 problem?

Mr. HOFFMANN. They are related in that CO_2 is one of those elements contributing to acid rain, but it is also a greenhouse gas.

Mr. YATES. Well, that question comes up in the other programs. Acid rain, of course, is one of them. I'll go back to the other statement that you made earlier, that we should have research, and you ought to have some action. Should you be doing that on acid rain as well? Or is this not a question of——

Mr. HOFFMANN. This is really not a question for the Smithsonian as an institution to respond to since, again, we do not set Federal policy on this.

Mr. YATES. Well, shall I ask you that question as an individual scientist then?

Mr. HOFFMANN. As an individual scientist, I think, yes, that the time has come for action.

Mr. YATES. What do you want to do?

Mr. HOFFMANN. Reduce the emissions.

Mr. YATES. Emissions of what?

Mr. HOFFMANN. Stack emissions that put the pollutants into the atmosphere. These are the standard approaches to this.

Mr. REGULA. Will you yield, Mr. Chairman?

Mr. YATES. Sure.

Mr. REGULA. I have read several articles in terms of cost to society. Obviously, the stack emission reductions have to be paid by the ratepayers, Government, industry, and everybody. They indicate it would be far more efficiently used in the liming process for reduction of the city depositions as opposed to doing the stacks, recognizing that eventually——

Mr. HOFFMANN. Liming is a palliative in the case of acidic waters, lakes, and streams.

Mr. REGULA. Right.

Mr. HOFFMANN. It does not help at all as far as the direct effects on vegetation are concerned. It won't save the Frazer firs in the Appalachians.

Mr. REGULA. I understand. Obviously, liming couldn't address anything on land. Has your research clearly shown that some of those debilitating impacts on forestry are totally related to acid rains, or are there many other factors? I say this because in Florida where they don't have acid rain they have the same type of problems in their vegetation.

Mr. HOFFMANN. Recognizing that the Smithsonian is only working on a very small part of this whole problem, I think it is fair to

say that it is a very complex problem. There are no simple solutions. The problem for the Congress is how to take what steps can be taken and at the same time find appropriate ways of paying for this, because it is not something that is free.

Mr. REGULA. Has your research been made available to those that have done the NAPAC studies since that deals directly with the acid rain issue?

Mr. HOFFMANN. We hold observer status on the Committee on Earth Science, which is the interagency coordinating committee that attempts to determine what research is being done by the various agencies, and we make the results of our research available to all of those people. We work rather closely with some of the agencies. We're funded by National Science Foundation through the Chesapeake Research Consortium for some of this research.

Mr. REGULA. Am I correct that you're, in effect, saying that whatever research information you are producing would, through the interagency process, reach those who are doing the NAPAC study?

Mr. HOFFMANN. Absolutely.

Mr. REGULA. Thank you, Mr. Chairman.

COLUMBUS QUINCENTENARY PROGRAM

Mr. YATES. Among the things that are listed here for you to speak to are the Columbus quincentenary programs. I had the impression that Mr. Freudenheim would be doing that.

Mr. HOFFMANN. Mr. Freudenheim and I share responsibilities for the museums. I handle research; he handles the public programs. The central Office of Quincentenary Programs, which attempts to coordinate for the Institution as a whole among the various museum programs, is under my office, so I have responsibility for that central office which works very closely with the individual museum programs that are under his direction.

Mr. YATES. Now you've fallen on hard times on that one, haven't you?

Mr. HOFFMANN. Yes. We never have had very good times on that one, I'm afraid.

Mr. YATES. No. The information that I have indicates that you wanted something like $30 million or $32 million.

Mr. HOFFMANN. Yes.

Mr. YATES. And you're nowhere near that.

Mr. HOFFMANN. No, that's right. We have had some success.

PRIVATE SUPPORT FOR QUINCENTENARY PROGRAM

Mr. YATES. If you don't get any money, what are you going to do?

Mr. HOFFMANN. Well, we have had some success with private fundraising and raising private support.

Mr. YATES. How much money have you raised privately?

Mr. HOFFMANN. I can't give you the figures on that.

Mr. YATES. Is it a secret?

Mr. HOFFMANN. No, it's not a secret. I didn't memorize them before I came in today.

Mr. YATES. Oh, I see. Would maybe any of your staff that may be here happen to know that?

Mr. HOFFMANN. Some of the bureau directors might be able to address that. Frank, do you know how much you've raised for "Seeds of Change", for example?

Mr. TALBOT. We've raised so far $1.2 million for "Seeds of Change" which is one of the exhibits, and we are seeking another $1.2 million to complete it. We have something——

Mr. YATES. Well, that is nowhere near $32 million.

Mr. HOFFMANN. No, that's right. Obviously, what we will have to do is to continue to focus our resources on the principal programs such as Natural History's "Seeds of Change."

FUNDING FOR PLANNED QUINCENTENARY COMMEMORATION

Mr. YATES. The magnificent scope of your original vision is shattered.

Mr. HOFFMANN. It is not shattered but scaled back. This does not mean that these exhibitions and the——

Mr. YATES. Isn't that a general way of saying the same thing?

Mr. HOFFMANN. Well, I think of them differently. To shatter it would mean to say that the program was destroyed. The program will not be destroyed. There will be Smithsonian quincentenary exhibitions, symposia, folklife programs, and we'll mount a program related to that. It will not be of the scale or breadth that we could do with the $30 million, but——

Mr. YATES. Well, who else is working on the quincentenary?

Mr. HOFFMANN. The director of the central office is Alicia Gonzalez.

Mr. YATES. I don't mean that. I mean that the quincentenary comes around once every 500 years.

Mr. HOFFMANN. That's right.

Mr. YATES. Presumably, coming around only once every 500 years, it should be somewhat of an event.

Mr. HOFFMANN. That was our orignal hope, of course, and we have——

Mr. YATES. But that hope is shattered. [Laughter.]

Mr. HOFFMANN. That particular hope is shattered without the event itself being shattered.

Mr. YATES. Mr. Harwit wants to say something.

Mr. HARWIT. Well, I think Mr. Hoffmann is being cautious. We haven't given up the fight yet, but we don't have the money in hand either. Our museum is hoping to have a large-scale exhibit that deals with the future exploration in commemoration of Columbus, and has been dealing with a variety of sources that would allow us to have several million dollars to carry out that exhibit. It is in the talking stage.

Mr. YATES. Mr. Harwit, where do you go with several million dollars? Several million dollars is $2 million or $3 million?

Mr. HARWIT. About $5 million perhaps. It varies depending on what is comprised. It is a fairly complicated transaction that involves the fact that there is also an exhibition in Seville which is going on. The Spanish government has some money that is owed to it by American aerospace corporations. As it looks right now, these are going to be allowed to support our exhibit here as well as in Seville, in order to pay back the Spanish government for the

money that is owed from the aircraft. It is a fairly complicated transaction as you can see.

Mr. YATES. How much money? Mr. Kennedy, did you want to come into this?

Mr. KENNEDY. Yes. Mr. Chairman, the answer to your question is "yes."

Mr. YATES. Yes, what?

Mr. KENNEDY. Yes, the dream is shattered. Yes, there are insufficient funds. No, we will not do the job we should be doing for the American people on this occasion. We are falling far short of our obligations, not just because it is the 500th, but because there are significant populations in this country that will not be reached by the Smithsonian as a consequence of the absence of Federal funding. We're all trying very hard, but the answer is: yes, sir, the dream is shattered. Yes, there are immense amounts of work to be done, and we've got to do a whole lot better.

Mr. YATES. Well, I was leading to the question of how much money will be available for celebration of the quincentenary, and where will it come from? Do you hope to raise $5 million from private sources? Do you hope to raise none from the Federal Government? How much money do you want from the Federal Government?

Mr. HOFFMANN. We have been permitted to ask for a modest increase for 1991. The total there would be $1,522,000.

Mr. YATES. Does that mean that the Administration does not want to celebrate the quincentenary?

Mr. ANDERSON. Not very much.

Mr. YATES. What do you mean by that answer? You mean they don't want to do it?

Mr. ANDERSON. They were less taken by that portion of our budget request than some others, it is fair to say. They want to celebrate it modestly.

Mr. YATES. It seems to me it is more immodest than modest.

Mr. Early?

Mr. EARLY. Mr. Chairman, I think a far more reaching issue is that we conceptualize this observance beyond just the celebration. Indeed, it is planned to set a foundation stone for the future engagement of Latin America as well as the growing Hispanic-American population in the U.S. That suggests that this Institution needs money to hire people on the research staff. It needs money in collections to begin to see what we have not done in the field of collection with regard to Hispanic-Americans, and what we have not done in collaboration with our research collection interests in Latin America. That is the far-reaching implication of not having sufficient money to make the observance. The observance really is a kind of transitory event, and we do need, as an Institution, to address how we are going——

Mr. YATES. Well, but you're kind of dismissing the observance, too, when you say that it's a——

Mr. EARLY. No, I'm not in any way dismissing the observance because built into the Smithsonian's conception about the observance is collaboration with senior scholars among the Hispanic-American population in the U.S. as well as with senior scholars in research

institutions in Latin America. That is really what the observance needs. How do we turn this into——

Mr. YATES. That's no observance as such. What you're doing is just citing that for a research program.

Mr. EARLY. No, not specifically for our research program. This includes public programs as well. This has implications for SITES, to growing——

Mr. YATES. How much money are you spending then?

Mr. HOFFMANN. At present, we have $1,234,000.

Mr. YATES. Well, that's a——

Mr. HOFFMANN. That is a very small amount relative to what our needs are, given the magnificent dream that we set forth several years ago.

Mr. YATES. Should this be celebrated?

Mr. HOFFMANN. Yes, it should be commemorated. I would not use the word "celebration." There are many people in this hemisphere who do not regard the Encounter as an event to celebrate, but it certainly ought to be commemorated.

Mr. YATES. All right. I'll accept your word. What's the difference for this purpose?

Mr. HOFFMANN. I think it's an important difference. A celebration, to me, is to record and to look back upon a glorious, joyous event. For the Caribs, for the Aztec, for the Inca it was not a joyous event; it was a disaster. The introduction of European diseases and the Spanish conquest are not things to look back at in celebration, but they are, because they are one of the most important historical events in the history of civilization, very much worth commemorating.

Mr. YATES. Okay. I'll accept that. Now the question is: how much of a commemoration do you want? The Administration doesn't want a commemoration. [Laughter.]

Mr. HOFFMANN. We'd like a $30 million commemoration.

Mr. YATES. What did your $30 million commemoration contemplate that you're not going to do?

Mr. HOFFMANN. I'll have to give you details for the record.

[The information follows:]

EFFECTS OF REDUCED FUNDS FOR QUINCENTENARY COMMEMORATION

Following is a list of projects affected by lack of funding. These projects were included in the $30 million commemoration originally contemplated.

Postponed:

1. Smithsonian Tropical Research Institute conference, Non-Imperial Polities, originally scheduled for 1989, rescheduled to April 1990, and again to September 1990.

2. Office of Telecommunications, Descubra el Smithsonian, series of short TV features.

3. Office of Telecommunications, Seeds of Change TV special.

Scaled Down:

1. National Museum of American History, American Encounters exhibition, scheduled for Fall 1992.

2. Office of Quincentenary Programs, Buried Mirror television series, scheduled for Fall 1991, sixth to tenth programs dropped.

3. Office of Elementary and Secondary Education Teachers' symposium for 1991 will reach fewer teachers and will be less substantive.

4. Office of Quincentenary Programs newsletter, The New World, fewer issues per year and no Portuguese edition.

5. National Air and Space Museum, Atlas, cut back on acquisition, printing and reproduction of images.

On-Hold Pending Funds or Cancelled:

1. Office of Interdisciplinary Studies symposium, Exploring the Unknown, Fall 1991 or 1992, cancelled.

2. Office of Quincentenary Programs Symposium on Cultural Patrimony, summer/Fall 1992, on hold indefinitely.

3. Smithsonian Tropical Research Institute sponsorship of IV World Congress of National Parks, summer/Fall 1992, cancelled.

4. Anacostia Museum Quincentenary Exhibition, Fall 1992, cancelled. (Will present public programs only.)

5. Office of Quincentenary Programs, Andean Teleconference, Spring 1991, on hold indefinitely.

6. Office of Quincentenary Programs, American Indian Outreach traveling exhibition, cancelled.

7. Smithsonian Institution Traveling Exhibition Service, Iconography of Columbus traveling exhibition, Fall 1992, cancelled.

8. Office of Quincentenary Programs, Ice-Age Origins board game, summer 1992, on hold indefinitely.

9. National Museum of Natural History symposium on the potato, Fall 1990, on hold indefinitely.

10. American Pavilion, Expo '92, exhibition on Global Change, April-October 1992, cancelled.

11. Office of Telecommunications, Smithsonian Quest, interactive TV program, Spring 1992, cancelled.

12. Office of Museum Programs, bilingual taped presentations on preservation of cultural property, Fall 1991, cancelled.

13. Office of Elementary and Secondary Education, Poster and Teachers' guide for Buried Mirror TV program, summer 1991, cancelled.

Mr. YATES. Does anyone else want to say something? Does anyone want to come up here?

Mr. HOFFMANN. All of the bureau directors have their own programs. I expect that they would be happy to address this in detail when they have an opportunity.

Mr. YATES. Mr. Regula?

Mr. REGULA. Would you yield, Mr. Chairman?

Mr. YATES. Yes.

Mr. REGULA. I note that the request here is at least 15 percent more than last year, and there aren't many agencies in Government that are going to get a 15 percent increase over their 1990 budgets. Maybe there needs to be some reprioritization if this is such a high priority. Perhaps you can adjust it internally in your request because 15 percent is a very substantial increase.

Mr. YATES. Fifteen percent over what?

Mr. REGULA. Over fiscal year 1990. Their budget request is about 15 percent over——

Mr. YATES. Oh, you mean in total budget.

Mr. REGULA. Right.

Mr. YATES. I thought you were talking about the quincentenary.

Mr. REGULA. What I'm saying is that perhaps it has not been assigned a high enough priority by the Smithsonian in determining what should be included in that 15 percent increase.

Mr. YATES. They have the discretion to do what they want.

Mr. REGULA. Right.

Mr. HOFFMANN. The additional 15 percent——

Mr. YATES. Where does that leave us? We usually tell them where we want the money to go.

Mr. HOFFMANN. That's what has happened. The 15 percent is the American Indian Museum mainly.

Mr. REGULA. But they have to tell us what their priorities are.

Mr. YATES. We're kind of going around in circles, and I don't like that. I'm trying to get some concept of where you are now with this. Have you abandoned your original $32 million proposal?

Mr. HOFFMANN. As Dr. Harwit said, we haven't given up the fight.

Mr. YATES. Have you abandoned the $32 million proposal?

Mr. HOFFMANN. Yes. We do not contemplate getting another——

Mr. YATES. How much do you contemplate your commemoration will cost?

Mr. HOFFMANN. Including both Federal and private money?

Mr. YATES. Yes.

Mr. HOFFMANN. I would suppose—and this is a rough guess—on the order of $8 to $10 million.

Mr. YATES. All right. How will that be distributed?

Mr. HOFFMANN. It will probably go for several major bureau-based exhibits such as "Seeds of Change" in Natural History, the "Where Next Columbus" exhibit in Air and Space, the "American Encounters" exhibits in American History, the "West as America" exhibit in American History, the "Portraits of Spain" in the Portrait gallery, possibly the Hirshhorn's "Latin American Pioneers of Modernism," for certain book projects at the Press, for several

scholarly symposia, and probably the Folklife Program. All of this is dependent upon our raising private money unless we can get more Federal money.

Mr. YATES. Mr. Harwit says you're going to raise $5 million.

Mr. HOFFMANN. We hope.

Mr. YATES. That means that you expect $5 million from the Federal Government?

Mr. HOFFMANN. OMB has permitted us to request a total through 1992—I'm looking for that figure here—of $1.5 million in 1991. I don't see the 1992 figure but, again, we will be going in to ask for more there.

Mr. YATES. If this is any indication of how OMB is going to react, you'll get $1 million a year for the next four or five years.

Mr. HOFFMANN. Well, given that the commemoration is in 1992, we have to have the money before then. 1991 is the key year because 1992 is when things happen.

Mr. YATES. Well, you don't have any money to go forward, do you?

Mr. HOFFMANN. No, we don't.

Mr. YATES. How much money do you want from us? I know what OMB says you should get from us. If you're not a Federal institution, why do you go to OMB?

Mr. HOFFMANN. Because we're Federally funded, and we have to go to OMB for our Federal funds.

Mr. YATES. Anyhow, how much money do you want from us?

Mr. HOFFMANN. I suspect that the original $30 million is——

Mr. YATES. We are demanding you tell us.

Mr. HOFFMANN. All right. In the best of all worlds, I would like the original budget proposal, but I'd happily settle for $10 million.

Mr. YATES. $10 million this year?

Mr. HOFFMANN. It almost has to be this year, yes.

Mr. YATES. We're asking you to give us a reasonable proposal. I don't know what amount that is.

Mr. HOFFMANN. Well, I must confess——

Mr. YATES. What do you contemplate each of these things will cost? Is the thing to do to have you present some kind of a memorandum to us?

Mr. HOFFMANN. Yes. I must confess that I did not come to this meeting prepared to ask for $10 million and to justify it. I think it will be necessary for us to give you a memo for the record and spell out to you what we think we need.

Mr. YATES. That is fine.

POSSIBILITY OF REPROGRAMMING TO QUINCENTENARY PROGRAM

Mr. REGULA. Would you be agreeable to our realigning priorities within the 15 percent increase to accomplish that objective?

Mr. HOFFMANN. I think that I would have to defer to the Secretary on those questions.

Mr. YATES. He'd have to be agreeable to that.

Mr. ANDERSON. I'd like to comment, Mr. Regula, on that very point. Fifteen percent does seem very generous. You first have to discount from that 15 percent the amounts that OMB allowed

simply for us to maintain an even pace with inflation, with pay raises, with water and sewer charges, and the like.

Mr. REGULA. I understand that, but they have to do that with every agency.

Mr. ANDERSON. After you discount that, you have to look at the areas where they did allow increases. Discretionary program growth, if you've set the Museum of the American Indian aside, was limited to about $2 million, about $1 million for global change, which Dr. Hoffman has been talking about, and another $1 million that will be addressed later this morning, I'm sure, having to do with cultural diversity issues.

Mr. REGULA. What you're saying is that no——

Mr. ANDERSON. If you're talking about reprogramming, you have very few choices from which to garner the money.

Mr. REGULA. What will be the percent of increase that you contemplate in the non-Governmental portion of your budget?

Mr. ANDERSON. We are looking at very flat funding in our trust funds. One of our principal problems this year, in fact, is that our projections of trust fund growth have betrayed us, if you will. What we had expected as a continuing business boom for the Smithsonian has turned out not to be a bust, but it has turned out to be a big disappointment. Consequently, we are having to cut back not only in our Federal activities, but in our trust fund activities. It is a double pinch, if you will, this year.

Mr. REGULA. What do you actually contemplate will be the increase in the trust fund?

Mr. ANDERSON. Our budget call that has gone out for compiling the 1992 figures tells people, "Do not count on any increases in trust funds next year." Zero growth, sir.

ABSORBED COSTS IN FY 1990

Mr. LOWERY. If the Chairman has the time, I just wanted to follow up for a second.

Did the Smithsonian budget allow the pay raise? Or was that absorbed out of your budget?

Mr. ANDERSON. The latter. It was absorbed fully, along with water and sewer charges and along with the Gramm-Rudman cut. For most of our bureaus, they have perhaps 75 to 80 percent of their money tied up in salary. The remaining residual had to accomplish the absorption of all of those cuts that I just mentioned which, in effect, in many instances, represents a 50 to 75 percent program cut. You end up almost with the specious example of having house painters, and you can't buy paint for them to work with.

Mr. LOWERY. You didn't absorb it at the staff levels at all?

Mr. ANDERSON. Where we had to we did through forced reductions in on-board strength through attrition, holding vacancies open. The Secretary——

Mr. ADAMS. I touched on that in my opening statement.

Mr. ANDERSON. We have doubled the vacancy rate that we normally should have right now.

Mr. LOWERY. Thank you, Mr. Chairman.

Mr. YATES. Mr. Lowery, may I call your attention to the minutes of the Board of Regents for January. On page 3, it is said:

Ms. Leven explained to the Regents how the Institution was able to reach the goal of $13.3 million, or 5 percent of total trust fund operations, in its working capital by the end of fiscal year 1989. Nonetheless, certain trust revenue estimates made in 1988 for fiscal year 1990 appear to be unrealistic when viewed against actual 1989 performance. It was noted that while the 1990 budget may still lack an adequate degree of firmness, the Secretary is asking his managers to review current budgets, trust funds and Federal alike, for opportunities to reduce spending by 3 percent and by 7 percent. It was the Executive Committee's view that the Secretary is prudent in asking the staff to operate with a balanced budget.

Mr. Jameson added:

In light of the Gramm-Rudman-Hollings cuts, water and sewer payments, and the absorption of pay increases, it will not be possible to afford summer evening visiting hours with this year's Federal appropriations. The Development Office will be soliciting support for this popular program from corporate sponsors.

So getting back to what Mr. Regula said about taking it out of some other program, you're already going to have to cut the other programs, are you not?

Mr. HOFFMANN. We have.

Mr. ANDERSON. We have already.

Mr. YATES. In other words, the question is not switching funds from other programs over to the quincentenary, but really whether we're going to add additional funds so that they can continue to operate. They can't cut a heck of a lot more. If this quincentenary is so important, we're going to have to add funds for that. As a matter of fact, if some of their other programs are so important, we're going to have to add funds for that rather than trying to do what we did in the supplemental and say, "We'll put this in. We'll take it out of another program." I don't see how we can.

PRIVATE FUNDING FOR QUINCENTENARY

Mr. ADAMS. Mr. Chairman, I don't want to leave the impression which might otherwise be left that what is left of the quincentenary program is nothing but a Potemkin village. There are some impressive exhibits that will appear. The television series that is already funded will be, I think, an important contribution.

Mr. YATES. But you don't have any money for it.

Mr. ADAMS. Well, I'm talking about what will appear.

Mr. YATES. If I draw the correct conclusion from what Mr. Hoffmann is telling us, it is a Potemkin village. You don't have any money. You hope to raise the money. You don't have any money, do you, Mr. Hoffmann?

Mr. HOFFMANN. We have raised some private funding.

Mr. YATES. How much money do you have?

Mr. HOFFMANN. I cannot tell you what the total in private funds is.

Mr. YATES. Isn't the amount you have available only for a Potemkin village part of approach?

Mr. HOFFMANN. I wouldn't use that phrase either. It is a——

Mr. YATES. Let's not use that phrase.

Mr. HOFFMANN. It's a scaled-down version of what we had hoped to do.

Mr. YATES. How far scaled down?

Mr. HOFFMANN. It will be scaled down to about a third of what we had originally hoped to do.

Mr. YATES. So that is $10 million. Where are you going to get the $10 million?

Mr. HOFFMANN. We've got some Federal money. We've got some private money. We've got $1.5 in Federal money. We hope to raise the rest privately. We have already raised some of the private money.

Mr. YATES. So you've got $1.5 million of Federal money, and that means you've got to raise $8.5 million from outside sources. Or are you going to use your trust funds?

Mr. HOFFMANN. We don't have trust funds to use.

Mr. YATES. Did you want to say something, Mr. Anderson?

Mr. ANDERSON. Please, Mr. Chairman. One of the most significant programs for our quincentenary is financed, if you will, off the books. Money that was raised for the television series that the Secretary had begun to speak to was not even donated to the Smithsonian. It was contributed directly from business interests in Spain to the television production company that is busy right now filming the five-hour series hosted by Carlos Fuentes that is to look at the history of Latin America from the point of view of the civilizations who were already here prior to the Columbus voyages. That will be aired internationally next year in 1991.

Mr. YATES. Are those the private funds that Mr. Harwit talked about?

Mr. ANDERSON. I don't think they are the same ones that Martin was talking about, but they are funds already raised.

Mr. YATES. How much money is that?

Mr. ANDERSON. That is about $4.5 million. It did not come directly to the Smithsonian. It has gone directly from the source to the expender.

Mr. YATES. Is that going to be used for this budget?

Mr. ANDERSON. It helps this budget.

Mr. YATES. How much will it help this budget?

Mr. ANDERSON. About $4.5 million.

Mr. YATES. Oh, okay. So you've got $6 million to deal with, right?

Mr. ANDERSON. That's good arithmetic.

Mr. YATES. Well, I know it is. I'm trying to find out how much—Mr. Hoffmann wants $10 million. You've got $6 million, right?

Mr. ANDERSON. So far, yes.

Mr. YATES. Okay. All right. Are you going to be able to raise the other $4 million from private funds? That's what I'm asking you.

Mr. ANDERSON. If the economy is strong, if business interests in Spain remain——

Mr. YATES. The answer to that is "no." [Laughter.]

Mr. REGULA. That's a supposition. That may not be actual.

Mr. YATES. That is correct.

Mr. HOFFMANN. May I say something else in this regard? The principal shortfalls are in funds for the various major exhibitions, such as Seeds of Change, American Encounters, and the like. The fact is that when the Smithsonian mounts such major exhibits, whether they be quincentenary or not, we have to fund those privately. Our Federal resources for exhibition are very, very skimpy indeed.

Mr. YATES. Are you going to get the private funds for this?

Mr. HOFFMANN. I cannot sit here in good conscience and tell you that, "Yes, we will get the private money," but we'll bust our butts.

Mr. YATES. You should have had the private money by this time.

Mr. HOFFMANN. We should have. Yes, we have some of it.

Mr. YATES. How much do you have?

Mr. HOFFMANN. I think we've been over this before. I can't tell you precisely. I will be happy to submit that for the record.

Mr. YATES. Yes.

[The information follows:]

QUINCENTENARY PROGRAM—PRIVATE SUPPORT

To date we have raised $2,074,500 for the Quincentenary Program as indicated below:

Office of Quincentenary Programs [1]	$20,000
Museum of Natural History	1,225,000
Office of Folklife Programs	450,000
SI Press	13,000
National Air and Space Museum	35,000
National Portrait Gallery	27,500
National Museum of American Art	10,000
Telecommunications	224,000
National Zoo	70,000
Total	2,074,500

[1] Office of Quincentenary Programs raised a total of $2,700,000 for the Buried Mirror television series, of which $2,680,000 went directly for production costs in England and $20,000 came to the Smithsonian's Office of Quincentenary Programs.

NATIONAL MUSEUM OF AMERICAN ART QUINCENTENARY EXHIBITION

Mr. ATKINS. Mr. Chairman?

Mr. YATES. Mr. Atkins?

Mr. ATKINS. I'm a bit confused about this quincentenary. As I look through the exhibits—and it is hard to find it any place—you have them scattered throughout. As you pointed out, you're not doing a celebration, you're doing a commemoration. In the Secretary's remarks, he refers to Columbus' discovery of America as an encounter that marks one of the major discontinuities in the course of life on this planet. I have always thought of discontinuity as a negative thing. Maybe I've missed something.

It seems as though as a result of that—and I'm not saying that I disagree—is that you've used the quincentenary as a hook to put up a number of things that don't seem to have much relationship to the quincentenary. For instance, your American art at the 1893 World's Columbian Exposition in Chicago. I'm not sure I understand the connection of that to the Columbus quincentenary, just to take that as one example of a number of your programs.

Mr. ADAMS. Let me speak for the general spirit in which the program is put together rather than for that particular example. That would better be addressed by the director of the Museum of American Art.

Mr. ATKINS. Could we first address that example and the general principle?

Ms. BROUN. I can address that question as the director of the museum responsible for the project. The World's Columbian Exposition, held in Chicago 100 years ago, celebrated the 400th anniver-

sary of Columbus' discovery of America. It was viewed as a watershed in American civilization because it projected America as having certain goals for the future. What the National Museum of American Art wishes to do on the 500th anniversary is to look back at those goals to see how far we've come since then, and to highlight what some of the agendas are in today's celebration.

The 1893 Columbian Exposition happened to include perhaps the most glorious exhibition in American art since the founding of the Nation. It also had a serious political and social point to be made. By reviewing the anniversary——

Mr. ATKINS. I understand that the Columbian exposition of 100 years ago had, at that time, very little to do with Columbus.

Ms. BROUN. On the contrary. It was a major celebration. The thesis of the exhibition——

Mr. ATKINS. Was a celebration, not a commemoration.

Ms. BROUN. It was a celebration in the public sense, and its thesis was that Columbus had begun the westward migration of civilization which represented the triumph of America. What the organizers of that celebration sought was to persuade people that they had at last completed the long process of acculturation which would allow them to assume a major position in foreign and financial affairs. It was a very good agenda then. Today it sounds very much like one we might elect not to pursue. I think it is extremely interesting to look at that agenda and contrast what we——

FOCUS OF QUINCENTENARY COMMEMORATION

Mr. ADAMS. If I can come back to the point I wanted to make. We are looking at the commemoration of the quincentenary as an opportunity to awaken an understanding of the full 500 years of the encounter of civilizations; of European civilization, African civilization, and the American-Indian civilians that were already here, out of which comes a whole new bundle of nations, and cultures, and what have you.

It seems to me that in the deeper appreciation of what those five centuries of living together has accomplished comes something that is really very important for the American people, both in their understanding as they look south and as they look at the American multi-cultural population that exists today.

It is in that spirit that we see this as an opportunity to do more than simply focus on the advent of Europeans in America in the person of Columbus, but to look at what comes out of that extraordinary encounter.

Mr. ATKINS. Where, either in your budget submissions or your explanations, have you put forward your rationale for the expenditure in these commemorations?

Mr. ADAMS. It has been put in a number of documents. I can't say at the moment where it is in these.

Mr. ANDERSON. I think the principal case is made on page 300, Mr. Atkins, in the section of the budget labeled "Appendix."

Mr. ATKINS. I'll look through this. This is an explanation of the exhibits that you'd like to put on, but it seems to me that it is hard to get funding unless there is an overarching theme or a concept that is clearly explained to the public and for which there is public

support. From my understanding of the people primarily in the State groups and others who have been involved with the Columbus quincentenary, there is a kind of focus on a celebration of an historic event. It would appear unclear to me from just looking at this, there is not put any place a clear statement or explanation of what it is, what story it is that we're going to tell people.

Looking at, for instance, the Hirshhorn Museum and Sculpture Garden for Latin American pioneers of modernism. This is important work I'm sure—and I certainly would support it—but I think most people would have some difficulty drawing any kind of connection absent some clear explanation on your part as to why this was a central part of the Columbus quincentenary commemoration.

Mr. ADAMS. Let me point out, Mr. Atkins, that this, of course, is not the first year in which we have been carrying on this activity. This is the unfolding next phase of an activity that has been underway for several years already. It may be that we should have given more emphasis to the overarching program within which it falls in presenting this year's program. Indeed, that was all part of the initial presentation as well. It isn't that we're dealing with the formation of a brand-new program in this budget.

Mr. ATKINS. I understand that. I was here last year when we discussed it. I missed it at that time as well. I just find it difficult, for one, to get excited about this kind of increase in resources absent some kind of compelling explanation as to how we're going to tell the American people and reach them with that will somehow enhance our national culture or our understanding of ourselves with some kind of unifying theme.

Mr. ADAMS. The response I'd like to make to that is that you must remember that the Smithsonian is—well, it looks as if it is—a unitary institution. It is also a bundle of museums with their own programs and their own directions of development. When the Hirshhorn museum, for example, comes to this question, it comes to it within a framework of dealing with contemporary art and seeking to remain within that framework rather than the sort of move lock step into an institutional program that might be directed at what you're after. Their choice of a subject matter that brings them to this arises from their own framework of program which is contemporary art. In that framework, the choice of four contemporary Latin American artists seems to me a real effort on their part to fall within the overall objective.

Mr. ATKINS. I think the exhibit is probably a very important exhibit, but it looks to me as though, as happens so often with institutions with separate divisions that have significant autonomy, when everybody has an excuse to get more money that, you know, unless there is a clear discipline for looking at that, that everybody comes in with something that they wanted to do anyway. It may have enormous merit, but it is kind of hard to create some sense of a unified theme. Can you explain the theme to me other than saying the Hirshhorn can do whatever they want when they have money, and this is what they thought when they were looking at it from the framework of contemporary art?

Mr. YATES. Mr. Talbot wanted to say something. Perhaps he can help you with that.

Mr. TALBOT. Mr. Chairman, I'd just like to say that I think we all look at this as a very, very important watershed. Natural History discussed this very broadly with the hopes of that administrative concept. We decided that what was important was that the seeds, if you like, the contact between things that crossed that barrier came in after that time. The results are enormous.

In other words, I had no concept, until I started working with my staff, and they started teaching me about the impact, of the huge change that potatoes, for instance, had made to Europe. There had been no winter crop in Europe, for instance. Populations started increasing in Europe.

Another example impacted the other way. We had a disease which was tremendously decimating to the native American population. When we started looking at this, it opened many fascinating stories including the movement of sugar and the tragedy of slavery. It affected virtually every aspect of our lives. Can you image the Italians without antipasto, for instance? Some of it is trivial; some of it is vital.

We are doing something and attempting, I think, on behalf of the Smithsonian's main thrust to cover every State. We have an exhibit which has NEH funding, additional outside funding, which is helping to put our exhibit in State libraries.

Mr. ATKINS. But the "Seeds of Change" concept is one that I can't understand. Believe me, I'm a strong supporter of your tropical rain forests, that disappearing treasure. I don't want anything in my comments to reflect anything less than total support for that. The "Seeds of Change" and that concept seems very important to me. I wish someone had expressed that someplace as a theme. I don't understand how tropical rain forests—a disappearing treasure—follows from that theme that you've suggested.

Mr. ROBINSON. Could I say something about that? I think one of the changes resulting from the Columbian voyage was, in fact, the impact that is now taking place in the rain forest throughout South America and particularly in Brazil. The National Zoo's new rain forest exhibit, which we'll be talking about later, in a sense is as much a commemoration of the Columbian voyage as is Latin American sculptures.

I think each of us is looking at part of culture from our specialist or separate point of view and giving something to this commemoration that is unique to our particular field. It has affected every field of human endeavor. I think that makes the rain forest part of the story. Animals that are now on the brink of extinction are on the brink of extinction not because Native Americans destroyed them but because of the alien groups from Europe that came in here destroyed them.

Mr. ATKINS. You don't find that a bit of a reach? [Laughter.]

Mr. ROBINSON. No.

Mr. YATES. Man's reach has always exceeded his grasp. [Laughter.]

Mr. ATKINS. The question, Mr. Chairman, is how far. I thought at that level——

Mr. YATES. Well, it reaches pretty far. [Laughter.]

Mr. Demetrion wanted to say something. He is the one that is going to put on the sculpture at the Hirshhorn.

Mr. DEMETRION. As director of the Hirshhorn museum sculpture garden, a museum whose entire program is devoted to the art of the 20th century, it made very little sense for us to go back to 1492. Instead, our thinking was to see what happened 500 years afterwards. That was the rationale for our particular exhibition and what Latin American artists have contributed to the whole sweep of modernism in the 20th century.

Mr. ATKINS. Let me just suggest that I think that that endeavor is an extremely important one, and I think it is one, frankly, we've neglected in the past. I would congratulate you on that. My question would be that given the mission of the Hirshhorn, maybe the Hirshhorn shouldn't be a part of the Quincentenary commemoration. Maybe that is part of the problem. I don't want to belabor this point.

I've made my point, but I'll have to tell you that if I try to push on this Subcommittee for additional tax resources to go towards this celebration and try to explain why I'm doing it, you haven't given me much other than that this is a good way to fund a number of tangentially-related and very important things that the Smithsonian is doing. Frankly, I, for one, would rather do it "truth-in-labeling" under a flat increase in the budget for the Smithsonian rather than to try to pretend that we're doing it as part of a Columbus commemoration. I will yield back to the chairman.

Mr. YATES. Well, let me point out—I think that we've gone far enough on this.

Mr. ADAMS. I'd like to make one small point, if I could.

Mr. YATES. I guess that's all right.

Mr. ADAMS. You must remember that this list is composed of events, many of which we were aware we would be unable to fund, many of which we hoped to fund from private sources which have agendas of their own that don't resemble yours or mine. You're seeing here an array of things that have a bearing on this question, some of which might come from one source and some from another. It isn't an all or nothing proposition. We're presenting what would be, we believe, a fine package of activities that would redirect American cultural sensitivity in a way that we think would be helpful to all of us.

We knew that this would never be fully funded. I don't think that the issue of the funding of the Hirshhorn exhibit really arises because that, indeed, may not be the one that would go forward with the Federal funds.

Mr. YATES. Mr. Anderson, I hope will make the last statement on this.

Mr. ANDERSON. I'll be very brief, Mr. Chairman.

Mr. YATES. I just want to say that I think that Mr. Hoffmann ought to give the committee a budgetary breakdown of what he hopes to accomplish with this if he wants Federal funds. If he doesn't want Federal funds, then you can go and do as you wish.

[The information follows:]

NEEDS FOR THE QUINCENTENARY PROGRAM

Following is a breakdown of the needs for the Quincentenary Program:

Needs in Priority Order

Ofc. of Quin. Prog.		$ 600,000
Personnel (5 positions)	$ 153,000	
Andean Teleconference	150,000	
Symposium of the Americas	35,000	
Images: Women in the Am.	22,000	
Newsletter	150,000	
Travel	60,000	
Fellowships	30,000	
National Museum of Natural History		2,500,000
"Seeds of Change" exh.	$2,500,000	
National Museum of American History		2,000,000
Construct small exhibits in preparation for the major Quincentenary exhibit "American Encounter".		
Develop related educational products for the exhibit.		
Office of Folklife Programs		2,550,000
1991 Festival Quin. Prog.	$ 800,000	
1992 Festival Quin. Prog.	1,500,000	
Folkways Quin. Series	250,000	
Ofc. of Elementary and Secondary Ed.		500,000
Teachers' Symposia	$ 500,000	
Hirshhorn Museum and Sculpture Garden		40,000
Catalog, Latin Am. Pioneers of Modernism	$ 20,000	
Travel and Research	20,000	
Office of Public Affairs		82,500
Marketing and communication	$ 47,500	
Bilingual press kits	10,000	
Brochure for publicizing	25,000	
Smithsonian Institution Press		40,000
Editing and translating	$ 40,000	
National Air and Space Museum		1,051,000
Where Next Columbus Exh.	$1,000,000	
Atlas images & reproduction.	15,000	
Atlas research	36,000	

National Portrait Gallery (American Art)..		2,250,000
Produce exh. "Court Portraiture in 16th Century Hapsburg Spain".....	$1,000,000	
Produce exh. "1893 World's Columbian Exposition".....	1,250,000	
National Museum of American Art.....		200,000
West as America Exh.....	$ 200,000	
Smithsonian Institution Traveling Exh.....		500,000
Produce and circulate exh. "Family and Faith".....	$ 500,000	
Anacostia Museum.....		350,000
African Am. Communities.....	$ 63,000	
African Diaspora exh.....	100,000	
Communities & traditions....	100,000	
Adv. Bd. travel.....	40,000	
Publications.....	47,000	
Office of Telecommunications.....		170,000
TV features "Descubra El Smithsonian".....	170,000	
Totals.....		$12,833,500

THEME OF COLUMBUS QUINCENTENARY COMMEMORATION

Mr. YATES. Did you want to say something, Mr. Anderson?

Mr. ANDERSON. Very briefly, Mr. Chairman. Thank you.

It is not so much an event, Mr. Atkins, as the phenomenon of encounters that forms the overarching theme for this commemoration. Mr. Hoffmann reminds me it was two years ago that it was set forward in our budgetary documents. I apologize that we did not carry that forward each iteration. The phenomenon of encounters is one which is as current as daily headlines and as current as demographic projections into the next century. Over half the population of California is going to be Hispanic by the turn of the century. More than half of the population in this entire country is going to be minority during the course of the next century. Encounter between cultures is the essence really of what we are living through as a society. By looking at how it all started, we're trying to cast a 500-year telescope that as much illuminates the present as it does the past.

CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION

Mr. YATES. Is there a central office or agency that is coordinating the efforts of all your agencies? There should have been.

Mr. HOFFMANN. There is a Jubilee Commission on which we sit.

Mr. YATES. You shouldn't have a jubilee if you don't have a celebration. [Laughter.]

Mr. HOFFMAN. I didn't choose the name.

Mr. YATES. Did you want to say something?

Mr. KENNEDY. Yes, Mr. Chairman. There are, in each of the major disciplines, coordinating committees, a chairman, and groups of people meeting all the time. If you meant is there anybody in the Smithsonian that is getting its range of activities in some kind of priority order, the answer is "yes, there is." There is a sort of central office, and we all talk to each other about that. In both instances the answer is "yes."

Mr. YATES. But who is doing it centrally?

Mr. KENNEDY. In the Smithsonian?

Mr. YATES. No, for the whole Federal Government.

Mr. HOFFMAN. For the whole Federal Government, it is the Jubilee Commission.

Mr. YATES. Who funds the Jubilee Commission?

Mr. HOFFMANN. You do.

Mr. YATES. Out of where?

Ms. GAYNOR. It was a special piece of legislation out of the Civil Service Committee.

Mr. KENNEDY. Mr. Chairman, it isn't doing a great deal.

Mr. YATES. Is the Smithsonian a member of the Jubilee Commission?

Mr. HOFFMANN. Yes.

Mr. YATES. You are?

Mr. HOFFMANN. Yes.

Mr. YATES. And do you have the impression that the Jubilee Commission is doing anything?

Mr. HOFFMANN. No.

Mr. YATES. Well, there won't be a jubilee then, will there?

Mr. HOFFMANN. There will still be——

Mr. YATES. A commemoration but not a jubilee.

Mr. HOFFMANN. I'll accept that.

Mr. ADAMS. Limited as our effort is, I think it is still about the most substantial one anywhere.

Mr. YATES. Really? Well, we've got to find out what the rest of them are doing.

Do you want to say something, Mr. Atkins?

QUINCENTENARY THEME

Mr. ATKINS. Mr. Chairman, just for the record, I would really appreciate—and I have to say that I don't find the supporting documentation from two years ago for the commemoration any more elucidating than I do this year's—so I would appreciate a renewed effort to explain both the larger context of the jubilee, and what is going on Government-wide, also specifically the Smithsonian role, and the overarching themes that exist, and whether we're dealing with a jubilee or a commemoration in addition to the budget pull-together. I just want to know whether to clap or cry. [Laughter.]

[The information follows:]

1492 - 1992
500 YEARS OF CONTINUING ENCOUNTERS AND TRANSFORMATIONS

From its inception in 1985, Smithsonian Quincentenary planning, coordinated by the Smithsonian's Office of Quincentenary Programs, took the suggestion of many scholars from all over the hemisphere to challenge the notion that all children are taught in grade school--that one man "discovered" a continent inhabited by natives. At the Smithsonian, the process of continuing encounters and transformations that have proceeded from 1492 is the main thrust that will underscore the 500th anniversary of the voyages of Columbus.

Thus, in recognition of the diverse disciplines that the Smithsonian has to offer, the multifaceted approach of its Quincentenary programming will present the American public with a comprehensive agenda of themes, including: cultural and biological diversity (STRI, NZP, NMNH, OFP), the cultural contributions of the indigenous peoples of the Americas (NMNH, OFP, OQP), utopian concepts of expansion (NMAA), cultural and economic exchange and innovation (NMAH), the African diaspora in the Americas (Anacostia, NMAH, OQP), the impact of technological advances on cartographic imagery (NASM, C-H) and future exploration (NASM), the confluence of European art forms with American aesthetics that led to the formation of uniquely American art movements (Hirshhorn and NMAA), the role of women in the Americas (OQP), Spanish portraiture (NPG), and the expansion of the Iberian influence on the Americas ("The Buried Mirror" a five-part television series) among others.

In its presentation of activities for the Columbus Quincentenary, the Smithsonian is acknowledging the demographic and attitudinal shifts that have occurred in America. Communities that 100 years ago were passive voices and the subjects and objects of Smithsonian exhibitions, or were not represented at all, are actively participating in the planning of some of these activities. As these groups enter the mainstream of American life it is imperative for the Smithsonian Institution to reflect the continuing transformations of the last 500 years and to acknowledge 1992 Quincentenary activities as catalysts for future representation.

Since the programs projected for the Quincentenary are multidisciplinary in scope, they reflect well many of the concerns now being discussed by the scholarly communities throughout the Americas and Europe. Therefore, these programs are making and will make an exceptional contribution to the commemoration of the voyages of Columbus by illuminating scientific, intellectual, historical and cultural knowledge. The exchange of ideas related to the Quincentenary promises to have substantial historical, cultural and educational merit that will

be far reaching and will last beyond 1992.

The beginning of the development of Quincentenary Programs at the Smithsonian Institution took place at about the same time that the Christopher Columbus Jubilee Commission was being established by Congress in 1985. As the National Museums, and a venue that hosts one of the largest Quincentenary programs in the Western Hemisphere, the Smithsonian Institution has always maintained an excellent but autonomous rapport with the Jubilee Commission and works closely with the Commission. The Smithsonian holds observer status, or more precisely, is a non-voting member of the Presidential Commission, which includes 24 members from 13 states and territories of the United States and 6 ex-officio members from agencies of the government that deal with cultural affairs. Those agencies are: The Department of State, the Department of Commerce, the Library of Congress, the National Archives, the National Endowment for the Arts and the National Endowment for the Humanities.

The purpose of the Christopher Columbus Jubilee Commission is to insure that the nature of the commemoration is represented at all levels. The aims of the Commission are to enhance the very aim of the Smithsonian Institution's Quincentenary programs in a complementary fashion.

There are 35 states and territories of the United States that have Quincentenary commissions. In total, approximately 54 state, city and county commissions exist at this time. In addition to those government and private institutions contributing to the overall themes, there are other commissions that focus on the contributions of specific groups, including: The National Hispanic Quincentennial Commission, the National Italian American Foundation, the National Congress of American Indians, and Spain '92, to name but a few. These commissions and the Smithsonian cross-reference and mutually reinforce each other in working with organizations to insure that views represent the diverse groups that comprise our national heritage, with the Jubilee Commission serving as a clearing house.

Similarly, there are 32 countries that have Quincentenary Commissions internationally. UNESCO and the OAS are two international organizations that also are involved in the commemoration. The Office of Quincentenary Programs at the Smithsonian, which serves as the coordinating body for the Institution, also serves as a conduit between the museums and national and international organizations.

The Institution views its efforts as neither a jubilee nor a celebration, but as a commemoration and a time of reflection.

FUNDING OF THE JUBILEE COMMISSION

Mr. YATES. Well, here staff shows me the budget. On page A1095, you have the Christopher Columbus Quincentenary Jubilee Commission. They are getting "$214,000 to remain available until December 31, 1993 for the purpose of planning, encouraging, coordinating, and conducting the commemoration of the historic discovery and voyage of Christopher Columbus. The 30-member commission will coordinate its activities with the governments of Spain, Italy, and other nations to its share of the Columbian heritage of the United States. The commission will terminate December 31, 1993." Doesn't sound like there's much activity. That precedes the commission for the preservation of America's heritage abroad in the budget.

HEARING ROOM POSTERS

Well, Mr. Hoffmann, thank you very much. I don't know how much attention I'm going to be able to pay to the very good list that the Smithsonian proposed. I don't know. Mr. Freudenheim, I can't possibly give you as much time as I gave Mr. Hoffmann, can I? Otherwise, we'll be here until doomsday. According to this, you have the control of collections, the increased role of the Smithsonian as a National museum, and the public side of the museums as educational institutions. What do you want to tell us?

Mr. FREUDENHEIM. Well, you were commenting on how this wasn't very happy, and I started to think about what I could say that would be happy. I found something on our part in any case. I think my colleagues agree that we're happy to see more of our posters on your wall this year. That may be a bit of a reach, too, but we're delighted.

Mr. YATES. Did you include the National Gallery in the Smithsonian?

Mr. FREUDENHEIM. No, I wasn't including the National Gallery. [Laughter.]

I was delighted to see that the Museum of American Art's new Ryder show is already up on your wall. I thought that was very timely.

Mr. YATES. We also put the Zoo up on the wall but, unfortunately, Michael didn't put "the National Zoo, Smithsonian Institution" under that beautiful photograph of the panda. Did you notice it was up on the wall already?

Mr. ROBINSON. I did, indeed, sir. Very good taste.

Mr. YATES. Very good taste. [Laughter.]

Not only keeps company with the wolves that are next to it, but the flamingo. It looks like a prehistoric flamingo, doesn't it? Is there a bird like that?

Mr. ROBINSON. It's head is wrongly oriented.

Mr. YATES. That is supposed to be a flamingo, isn't it?

Mr. ROBINSON. Yes. Audubon wasn't really all that good a naturalist. [Laughter.]

Mr. YATES. Go ahead.

Mr. FREUDENHEIM. We complain about that all the time, so I thought that I'd point out that we never get enough money, but at least we're getting this.

I wanted to comment about our leadership role in the museum world, which I'm taking for granted you know a good deal about.

Mr. YATES. Yes.

Mr. FREUDENHEIM. It is more exciting and important than, in fact, the array of museums and museum colleagues here really lets on. I think it is that way in spite of the fact that we are being really badly squeezed right now. Maybe it is because there is a piece of museums that is sort of show-biz. You know, not letting people see what it is that the reality of the funding and all of that is doing to the back rooms that makes it possible for this not to be evident.

Mr. YATES. That's what I would hope you would tell us. Tell us what the lack of funding is doing to you and to your mission. Will I get more from you than I will from the directors of your museum as to what's happening to that?

Mr. FREUDENHEIM. I'm mostly here for the overall picture. I think the museum directors can give their individual agonies. It is important to understand that we have got this great conflict between trying to serve the public and trying to make the public not see what is really not happening adequately.

Mr. YATES. What could you be doing that you're not doing because you don't have the money?

Mr. FREUDENHEIM. Well, we're not adequately taking care of our collections.

Mr. YATES. In what respect?

Mr. FREUDENHEIM. We are not adequately taking care of the recordkeeping and the maintaining of inventories. The biggest disaster stories are, in fact, in Natural History and American History where we are continually falling behind. This is a story that you've heard annually from us.

Mr. YATES. No, I haven't heard it annually from you. We've tried to keep pace with your needs over the years, that is until the Reagan administration came in. We were able to put some money up for the things that you needed. The impression I have now is that the Smithsonian is expanding at the same time that its funding is contracted. You've got the Indian Museum, which is going to take a tremendous amount of money. You've got requests from Senator Byrd to put an installation into West Virginia. You've got a request from either a Congressman or a Senator from Louisiana who wants you to put something into Louisiana. Those are the only ones that are visible at the moment. Your needs are going up at the same time as the funding is coming down. What we're trying to find out on this Committee is how badly are we serving you in providing funding so that you're not permitted to adequately serve the public? Are you doing an adequate job for the public?

Mr. FREUDENHEIM. No. No, we're not. We're doing an adequate job only if you consider the museum visitor not looking carefully and just coming in to see exhibitions. This is vacation week. There are thousands of people on the Mall as we speak. They're not seeing what we're not doing adequately right now as they walk through the museum, or some of them are not. Where we are not serving the public properly is in our role as custodian for the na-

tional patrimony, which is a major issue for us. We are falling behind increasingly in taking care of our collections and inventorying them.

Mr. YATES. What do you mean by that? Ten years ago, we started to give you money to make an inventory of the hundreds of millions of objects that you have.

Mr. FREUDENHEIM. That's right.

Mr. YATES. You kept telling us year after year, as we gave you more and more money, that you had completed the inventories.

Mr. FREUDENHEIM. No. We never said we completed it. We made a lot of progress on it. We did, indeed.

Mr. YATES. You computerized it. Are you telling us now that you never did it?

Mr. FREUDENHEIM. We did it, but the technology changes, there are updates that have to be taken care of, and we keep adding in the large museums thousands upon thousands of objects. In Natural History, in the hundreds of thousands of specimens annually——

Mr. YATES. That is being put in drawers then?

Mr. FREUDENHEIM. But it has to be recorded. If it's not recorded, it is not accessible to scholars. It is not accessible for study.

Mr. YATES. That's true.

Mr. FREUDENHEIM. So we don't just put it in drawers. God forbid we should merely put it in drawers because we'd never see it again. It is a huge problem. It has to do with the nature of the collections that we're maintaining. The historical collections in American History, again, are immense. With all due respect to our wonderful art museums, at least those numbers are more reasonable in scale. When you're talking about American History and Natural History, you're talking about what I, as coming out of the art museum field, consider unreasonable scale just because of the nature of those collections.

We looked at the figures, for example, from 1988 to 1989 in keeping track of collections. We lost by 12 percent. We're falling farther behind. The backlog is increasing by 12 percent just from 1988 to 1989. Those are huge problems because it is hard to ever make that up.

UNFUNDED FY 1991 BUDGET NEEDS

Mr. YATES. Just for museums, you were cut back $15 million immediately before you even went to OMB, weren't you?

Mr. FREUDENHEIM. Sure.

Mr. YATES. Your directors, your laboratories, your SITES—you started out boldly asking for $130 million just for the museums. Mr. Adams cut you back $15 million. Don't you get along with Mr. Adams?

Mr. FREUDENHEIM. We get along just fine. We're all in this very problematic boat together. It is a tough decision.

Mr. YATES. Does he cut you back? Or does Mr. Anderson cut you back?

Mr. FREUDENHEIM. Well, we all cut back together, in fact. It is a very collegial operation.

Mr. YATES. And then you go to OMB, and OMB cuts you back another $10 million. So you've lost $25 million on your road to the final four. [Laughter.]

The final two, I guess—the House and the Senate.

Mr. FREUDENHEIM. It is tough going.

Mr. YATES. $25 million is a lot of money for you, isn't it? What did you want to do that you can't do?

Mr. FREUDENHEIM. Well——

Mr. YATES. Why don't you do this? Why don't you give us a list? Have you got a list of where they were cut out? Do we have a list?

Mr. FREUDENHEIM. You have it, but I'd be happy to reorient it so that it's clearer, if what you have isn't clear enough.

Mr. YATES. We don't know, for example, what you've cut out before you even went to OMB. What did Mr. Anderson cut out? He cut out $15 million. What did he cut out?

Mr. FREUDENHEIM. I'll let him speak for himself.

Mr. YATES. I think probably you ought to give me a list of it. Give me a list of the stuff you cut out and how important it is to you and to the public.

Mr. FREUDENHEIM. The differentiation between what we cut out before our budget even left our premises, in other words.

Mr. YATES. I don't know that it will do you any good, but it will at least give us the chance to know. I don't know how much money we'll have available for all of this.

Mr. FREUDENHEIM. I understand.

[The information follows:]

SMITHSONIAN INSTITUTION

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
RESEARCH						
A/S Research, Immediate Office						
SI Diving Program	1	90	1	90	0	0
C-14 Dating	0	40	0	0	0	0
Total	1	130	1	90	0	0
Joseph Henry Papers						
Secretary for Director, Joseph Henry Papers	1	32	1	32	0	0
Staff Research Assistant	1	35	1	35	0	0
Document Index	0	40	0	18	0	0
Conservation of Bell/Henry Library	0	10	0	0	0	0
Programmatic Development	0	5	0	0	0	0
SI Sesquicentennial/Bicentennial of Henry's birth	0	8	0	0	0	0
Total	2	130	2	85	0	0
Office of Fellowships and Grants						
Printing of research opportunities booklet	0	12	0	12	0	0
Fellowship/Internship Coordinator	1	46	1	46	0	0
Total	1	58	1	58	0	0
Smithsonian Astrophysical Observatory						
Submillimeter Telescope Array (Staffing)	12	782	12	782	12	782
Strengthen Theoretical Research	2	130	2	130	0	0
Asst. Professor-Level Scientists	2	120	0	0	0	0
Infrared & Optical Telescope Array (IOTA)	0	50	0	50	0	0
Pay Adjustments Not Covered by Necessary Pay	0	470	0	0	0	0
Rent Increase	0	200	0	200	0	200
Global Change Research	0	0	0	0	2	180
Total	16	1,752	14	1,162	14	1,162

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Smithsonian Tropical Research Institute						
Global changes and Canopy Biology	15	1,503	4	564	2	106
Safety and security	4	198	3	130	0	0
BCI lab staffing & equip.	5	531	3	275	0	0
San Blas lab. staffing/plans	2	356	0	0	0	0
Quincentenary	3	94	2	60	0	0
Additional adm. support needs	11	339	5	152	0	0
Total	40	3,021	17	1,181	2	106
Smithsonian Environmental Research Center						
Maintenance	3	95	2	66	0	0
Secretary/Admin support	1	23	1	23	0	0
Global Climate Change Program	4	301	3	250	1	150
Total	8	419	6	339	1	150
National Zoological Park						
Support of Current Programs	6	253	6	254	0	0
Support of Current Programs	3	137	3	137	0	0
Support of Current Programs	2	69	2	69	0	0
Equipment Upgrade and Replacement Programs	0	500	0	400	0	0
Applied Clinical Research Laboratory	1	66	0	0	0	0
Outreach Training-Zoological Medicine & Reproductive Physiology	0	69	0	0	0	0
Genetic Resource Bank	2	138	2	90	0	0
Conservation Biology Program	7	379	0	0	0	0
Wildlife Conservation by Captive Propagation and Intern'l Res. & T	2	104	1	50	0	0
Global Change Research	0	0	0	0	2	100
Total	23	1,715	14	1,000	2	100

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Smithsonian Institution Archives						
Staff Positions	2	58	2	58	0	0
Shelving and Cabinets	0	25	0	25	0	0
Training and Internships	0	10	0	10	0	0
Computers	0	25	0	0	0	0
Staff Positions	3	104	3	104	0	0
Travel	0	2	0	2	0	0
Staff Positions	3	111	1	31	0	0
SIBIS	0	23	0	0	0	0
RLIN	0	12	0	10	0	0
Total	8	370	6	240	0	0
Smithsonian Institution Libraries						
SIBIS Operation Costs	0	419	0	0	0	0
Brittle Book Preservation	5	185	5	185	0	0
Journal Inflation Costs	0	221	0	221	0	0
Service Enhancement	2	163	2	100	0	0
NMNH Librarian	1	38	1	38	0	0
STRI Enhancement	2	62	0	0	0	0
Collections Evaluation	0	0	1	37	0	0
Total	10	1,088	9	581	0	0
Int'l Environmental Science Program						
Physical Monitoring	2	101	1	105	0	0
Greenhouse Gases	1	151	0	0	0	0
Greenhouse Effect	3	160	3	160	0	0
Neotropical Lowlands	0	30	0	0	0	0
Dominica	0	35	0	20	0	0
Data Management	2	95	2	95	0	0
Tamarin Ecological Program	0	20	0	0	0	0
Bocas Island Projects	0	26	0	25	0	0
Nile Delta Project	0	130	0	75	0	0
Global Change Research	0	0	0	0	2	134
Total	8	748	6	480	2	134

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Submillimeter Telescope Array (MSI)	0	3,018	0	2,518	0	2,518
Multiple mirror Telescope Conversion (MSI)	0	1,100	0	1,100	0	1,100
TOTAL RESEARCH	117	13,549	76	8,824	21	5,270
MUSEUMS						
A/S Museums, Immediate Office						
African/American Initiative	2	200	2	200	0	100
Prog. Mgr. and clerical support	2	80	2	80	0	0
Interpretation and training	1	100	0	0	0	0
Total	5	380	4	280	0	100
Office of Museum Programs						
Intern Coordinator	1	47	1	47	0	0
Program Manager	1	75	1	75	0	0
Total	2	122	2	122	0	0
Office of the Registrar						
Correcting Base Deficiency	0	162	0	46	0	46
National Museum of Natural History						
Associate Director for Public Programs	2	115	2	115	1	100
Facilities and Safety	2	150	3	176	0	0
Native American Documentation for Repatriation	3	129	3	129	0	0
Exhibit Hall Renovation	1	2,500	1	1,000	1	700
Public Affairs and Institutional Advancement	4	136	4	136	0	0
Wider Audience Outreach	2	75	0	0	0	0
Columbus Quincentenary Program	0	50	1	100	0	0
Collection Information System	0	300	1	300	0	0
Computer/Communications Purchase	0	300	0	200	0	0
Conservation of Collections	0	100	0	0	0	0
Collections Management Support	0	50	0	50	0	0

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Basic Research Support	6	141	7	193	0	0
Laboratory for Molecular Systematics	2	200	2	200	0	0
Human Ecological History (HEH)	4	254	4	200	0	0
Biological Diversity	4	250	4	145	0	0
Arctic Anthropology and Biology	0	100	0	0	0	0
Evolution of Ecosystems	5	300	3	230	0	0
Collections Acquisition	0	100	0	0	0	0
Global Change Research	0	0	0	0	4	259
Total	35	5,250	35	3,174	7	1,059
National Air and Space Museum						
Museum Curator - Military History	1	50	1	50	0	0
Environmentally Controlled Storage	0	205	0	0	0	0
Museum Specialist - Restoration	1	38	1	38	0	0
Chemical Lab Furnishings & Hot Tanks	0	45	0	0	0	0
Office Automation and Local Area Network	0	695	0	0	0	0
Computer Specialist and A/V Control System	1	58	1	40	0	0
Computer Technician For CIS	1	26	0	0	0	0
Museum Curator - Space History	1	60	0	0	0	0
Remote Sensing Scientist	1	50	1	50	0	0
Flexible Wall System	0	50	0	0	0	0
Minority Outreach and Secretary	1	200	0	0	0	0
Columbus Quincentenary Program (World Atlas)	0	9	0	9	0	0
Global Change Research	0	0	0	0	1	71
Total	7	1,486	4	187	1	71
National Museum of American History						
Collections Management Accountability (Emergency)	14	453	14	433	0	0
Fullerton - Additional Lease (Emergency)	0	223	1	140	0	0
Exhibits Maintenance and Repair (Emergency)	1	63	0	0	0	0
Curator, Computers, Info. & Society	1	73	1	73	0	0
Collections Management Accountability (Mainten.)	3	161	0	0	0	0
Afro-American Communities	1	18	1	18	0	0
Exhibits Maintenance and Repair (Mainten.)	1	57	0	0	0	0
Weekend Interpretive Program Manager	1	38	0	0	0	0

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Fullerton - Additional Lease (Facility Manager)	1	35	0	0	0	0
Fellows' Support	0	100	0	0	0	0
Public Information and Orientation	1	140	0	0	0	0
Support of Research	3	112	3	112	0	0
Columbian Quincentenary Program	2	1,000	1	250	1	95
Textile Laboratory Equipment	0	100	0	0	0	0
Reference Archivist	1	34	1	34	0	0
Audience Advocate	1	32	0	0	0	0
Total	31	2,639	22	1,060	1	95
National Museum of the American Indian						
Fundraising	11	670	11	670	11	670
Additional Central Administration	2	100	2	100	3	186
Care and Custody of the Collection	5	1,000	5	1,000	7	1,132
Continued Formation of Planning & Coord.	8	500	8	500	10	835
Necessary Staff Training	0	150	0	150	0	0
Native American Staff Development & Training	0	0	0	0	12	707
Custom House Programs	12	750	12	750	5	1,037
Maintenance & Security	0	0	0	0	23	719
Native American Collections Documentation Research	0	0	0	0	18	1,000
Special Review Committee on Native American Materials	0	0	0	0	4	250
Total	38	3,170	38	3,170	93	6,536
National Museum of American Art						
Research & Professional support	3	138	3	128	0	0
Collection Management & Utilization	3	118	1	32	0	0
Research & Administrative Support - Renwick	2	78	2	78	0	0
Quincentenary Exhibition	1	26	1	26	1	15
Total	9	360	7	264	1	15

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FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
AA/PG Building Manager (1/2-NMAA)						
Safety Specialist AA/PG, Renwick, Barney House	1	19	1	0	0	0
Building Management Staff Increase	1	19	0	0	0	0
Replace AA/PG Museums, Drapes, Furniture, & Carpet	0	68	0	0	0	0
Total	2	106	1	0	0	0
National Portrait Gallery						
Library Automation (SIBIS, etc.)	0	40	0	18	0	0
Migration of Catalog of Amer. Portraits Records	1	61	1	61	0	0
Computer Maintenance and Replacement	0	40	0	0	0	0
Increase Curatorial Staff (Prints & Drawings)	2	49	0	0	0	0
Reconfigure Archives Collections Files	0	80	1	105	0	0
Catalog of American Portraits National Survey	1	53	0	0	0	0
Renovation of the Great Hall	0	175	0	0	0	0
Columbus Quincentenary Exhibition	0	225	0	50	0	25
Total	4	723	2	234	0	25
AA/PG Building Manager (1/2-HPG)						
Safety Specialist AA/PG, Renwick, Barney House	0	19	0	0	0	0
Building Management Staff Increase	1	19	0	0	0	0
Replace AA/PG Museums, Drapes, Furniture, & Carpet	0	67	0	0	0	0
Total	1	105	0	0	0	0
Hirshhorn Museum and Sculpture Garden						
Acquisitions	0	1,500	0	0	0	0
Columbus Quincentenary Exhibition	0	50	0	50	0	30
Replacement of equipment	0	50	0	50	0	0
Training for staff, especially affirmative action & OEO	0	15	0	0	0	0
New exhibition lighting	0	100	0	0	0	0
Brochures & Audio-Visual Presentations	1	100	0	0	0	0
Space Study/implementation	0	50	0	0	0	0
Computer enhancement	1	93	0	0	0	0
Total	2	1,958	0	100	0	30

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Freer Gallery of Art						
Hire 2 museum technicians as object handlers	2	64	2	52	0	0
F&E for Tech Lab, off. & Coll. Stor.-1 time only	0	276	0	276	0	0
Reinstallation of Freer collections	0	750	0	398	0	200
Educational activity and related literature	0	85	0	0	0	0
Hire three exhibition specialists	3	102	3	102	0	0
Collections Acquisitions	0	50	0	0	0	0
Exhibit-related off-site storage	0	100	0	0	0	0
Total	5	1,427	5	828	0	200
Arthur M. Sackler Gallery						
Publish special educational material on Asian art	1	82	0	0	0	0
Hire curator of sculpture & curatorial assistant	2	96	2	96	0	0
Expand educational & cultural events of Asian art	0	25	0	0	0	0
Acquisitions	0	100	0	0	0	0
Total	3	303	2	96	0	0
Archives of American Art						
Supervisory Archivist NY Regional Center & Support	1	45	1	45	0	0
Archivist/Automation Specialist DC Center	1	38	0	0	0	0
Total	2	83	1	45	0	0

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Cooper-Hewitt Museum						
Education Department	3	310	3	310	0	0
Master plan development--facilities	0	150	0	0	0	0
Orientation/Interpretation graphics, lighting	0	100	0	0	0	0
Garden upgrade/replacement trees, etc.	0	85	0	0	0	0
Base Deficiency--Buildings & Grounds	1	124	1	124	0	0
Assistant Curator/Decorative Arts	2	59	2	59	0	0
Personnel Specialist & Secretary	2	53	0	0	0	0
Collections Management/Automation	0	100	0	0	0	0
Base Support--Exhibitions, Publications, & Acqu.	0	250	0	0	0	0
DC Facility	0	75	0	0	0	0
Operating Expenses/Fox House	5	195	5	195	0	0
Assistant Curator for Wallcoverings	0	0	1	36	0	0
Total	13	1,501	12	724	0	^
National Museum of African Art						
Acquisitions	0	120	0	0	0	0
Curatorial Travel	0	20	0	20	0	0
Total	0	140	0	20	0	0
Anacostia Museum						
Acquisition Funds, Rental of Storage Space, Travel	0	465	0	0	0	0
AV Technician, Secy., Support Funds	2	104	0	0	0	0
Bus and Driver	1	131	1	99	0	0
Total	3	700	1	99	0	0
Conservation Analytical Laboratory						
Preservation of Natural History Specimens	1	83	1	83	0	0
Research Equipment Upgrade & Replacement Program	0	240	0	240	0	0
Chem. Characteris'n of Archeo. Ceramics & Lithics	1	48	1	48	0	0
Total	2	371	2	371	0	0

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Office of Exhibits Central						
Exhibition Space Management & Production Support	6	312	4	212	0	0
Smithsonian Inst. Traveling Exhibition Service						
Increase to Operating Base	24	1,400	24	1,400	0	0
Minority Exhibitions	0	743	0	0	0	0
Exhibitions on Social Issue	0	2,500	0	0	0	0
Total	24	4,643	24	1,400	0	0
Museum Support Center - Equipment	0	4,942	0	4,942	0	0
Museum Support Center - Operations						
Facility Management	2	50	0	0	0	0
Automated Information Management	1	45	1	45	0	0
Automated Information Management - Computer Replacement	0	385	0	215	0	0
Automated Information Management - CAD/CAFM	1	73	0	0	0	0
Total	4	553	1	260	0	0
Museum Support Center - Move	45	1,504	45	1,504	0	0
TOTAL, MUSEUMS	243	32,940	212	19,138	103	8,177
PUBLIC SERVICE						
A/S Pub. Service, Immediate Office						
Base Deficiency	0	34	0	34	0	34
Fiscal Technician	1	28	1	28	0	0
Secretary	1	25	1	25	0	0
Ethnic Celebrations	0	0	0	50	0	0
Total	2	87	2	137	0	34

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Office of Telecommunications						
Base deficiency	0	26	0	26	0	26
Clerical support	1	22	1	22	0	0
Total	1	48	1	48	0	26
Visitors Info. and Assoc. Reception Ctr.						
Smithsonian Information Center Components Revisions	0	100	0	0	0	0
SIC Automated Information Systems maintenance	0	25	0	25	0	0
Printing and Reproduction (increase)	0	30	0	30	0	0
Automation - office network maintenance	0	15	0	15	0	0
Supplies and Materials (increase)	0	10	0	0	0	0
Supervisory Information Recept	0	0	2	40	0	0
Total	0	180	2	110	0	0
Office of Public Affairs						
Clerical support (outreach)	1	24	1	24	0	0
Public Affairs Specialist (Asian outreach)	1	46	0	0	0	0
Printing	0	0	0	50	0	0
Payroll Base Adjustment	0	40	0	40	0	40
Columbus Quincentenary Program (Publicity)	0	0	0	36	0	15
Total	2	110	1	150	0	55
Smithsonian Institution Press						
Base Erorion	0	56	0	56	0	56
Electronic Database Publishing	2	110	2	110	0	0
Freelance Editorial Services	0	15	0	0	0	0
Columbus Quincentenary Program (Publications)	0	0	0	20	0	15
Total	2	181	2	186	0	71

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Office of Folklife Programs						
French Revolution Bicentennial Observance (one-time FY 1990 costs)	0	-197	0	-197	0	-197
Cultural Conservation	0	150	0	100	0	0
Fiscal Technician	1	24	1	24	0	0
Education Specialist	1	38	0	0	0	0
Festival Production	0	100	0	0	0	0
Columbus Quincentenary Program	3	238	2	150	1	50
Total	5	353	3	77	1	-147
Office of Interdisciplinary Studies						
Office Assistant	1	24	0	0	0	0
Columbus Quincentenary	0	25	0	0	0	0
Total	1	49	0	0	0	0
Office of Elementary and Secondary Education						
Quincentenary Program - FY 1990 Funding	0	-38	0	-38	0	-38
Program Expansion	1	56	1	56	0	0
Quincentenary Symposium for Teachers	0	22	0	22	0	15
Total	1	40	1	40	0	-23
National Science Resources Center						
Basic Clerical Support for NSRC Professional Staff	2	55	0	0	0	0
TOTAL, PUBLIC SERVICE	16	1,103	12	748	1	16
INTERNATIONAL ACTIVITIES						
International Center						
Smithsonian/Man and the Biosphere Program	0	0	2	50	0	0

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Office of International Relations						
Director	1	90	0	0	0	0
Secty/Secty	2	52	1	26	0	0
Information Spec.	1	32	0	0	0	0
Liaison Spec.	1	38	0	0	0	0
Travel\Training	0	38	0	0	0	0
Translation software & scanner	0	6	0	0	0	0
Communications-Network	0	37	0	0	0	0
Supplies\Materials	0	25	0	0	0	0
Res.& Prog. Development-priority Countries	0	65	0	0	0	0
Protocol-mandated Training & Res.	0	55	0	55	0	0
International Conferences	0	34	0	0	0	0
Emergency Evacuation & Care	0	15	0	15	0	0
Intl Industry Board	0	15	0	0	0	0
Total	5	502	1	96	0	0
International Gallery						
Program Assistant	1	32	0	0	0	0
Registrar	1	26	0	0	0	0
Exhibition fund	0	362	0	0	0	0
Equipment	0	12	0	0	0	0
Travel	0	5	0	0	0	0
Total	2	437	0	0	0	0
Office of Quincentenary Programs						
Quincentenary planning	3	101	2	90	1	40
Travel	0	43	0	0	0	0
Other services	0	123	0	0	0	0
Printing & reproduction	0	89	0	0	0	0
Supplies and materials	0	10	0	10	0	0
Equipment	0	10	0	0	0	0
Total	3	376	2	100	1	40

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Office of Conference Services						
Conference Coordinator	1	32	1	32	0	0
Conference Assistant	1	26	1	26	0	0
Conference Aide	1	23	0	0	0	0
Supplies & Materials	0	8	0	8	0	0
Other Services	0	6	0	0	0	0
Printing & Reproduction	0	6	0	6	0	0
Total	3	101	2	72	0	0
TOTAL, INTERNATIONAL ACTIVITIES	13	1,416	7	318	1	40
ADMINISTRATION						
General Counsel						
Additional Staff	2	87	1	27	0	0
Office of Congressional Liaison						
Base shortage/computer network	0	20	0	32	0	0
Secretary	1	28	1	28	0	0
Congressional Liaison Officer	1	70	1	70	0	0
Congressional Liaison Officer	1	70	1	70	0	0
Staff Assistant	1	42	1	42	0	0
Executive Branch Liaison Officer	1	70	1	70	0	0
Total	5	300	5	312	0	0
Office of the Treasurer						
Base shortage	0	10	0	10	0	10
Office of Financial Mgmt. and Planning						
Base Shortage	0	20	0	20	0	20
Director, Facilities Services						
Rent Administrator	0	0	0	0	1	47

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Office of Inspector General						
Auditor	1	31	1	31	1	31
Base Shortage	0	70	0	70	0	70
Total	1	101	1	101	1	101
Accounting and Financial Svcs.						
New Accounting System - ASU Renovations	0	-30	0	-30	0	-30
New Accounting System - Handbooks	0	-30	0	-30	0	-18
New Accounting System - Temporary Positions	-7	-154	-7	-154	0	0
New Accounting System - Computer Operations	5	276	5	276	5	276
Reconciliation of Accounts	3	96	3	96	3	96
Accounting Policy and Procedures	2	70	2	70	2	70
Additional Acctng Service Unit Clerks	0	0	3	63	3	63
Rental Space for New Staff	0	0	0	46	0	0
PPS Costs	0	138	0	138	0	71
Total	3	366	6	475	13	528
Office of Risk Management						
Disaster Preparedness	0	200	0	0	0	0
Office of Personnel Administration						
Delegated Examining Authority	5	276	5	276	5	276
Personnel Operational Support	8	302	4	150	4	150
Personnel Operational Support	2	52	0	0	0	0
Consolidation of Personnel Office	0	55	0	55	0	0
Computers	0	70	0	0	0	0
Total	15	755	9	481	9	426
Worker's Compensation	0	0	0	249	0	264
Office of Equal Opportunity						
Payroll Base Deficiency	0	42	0	42	0	42

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Office of Procurement and Property Mgmt						
Automation Upgrade	0	53	0	53	0	0
Training - 20% of staff	0	8	0	0	0	0
Stockroom Supplies	0	10	0	0	0	0
Temporary Services	0	9	0	0	0	0
Total	0	80	0	53	0	0
Office of Information Resource Management						
PPS Funding	0	-50	0	-50	0	-50
Cost Center Abolishment	0	5,460	0	782	0	0
Support Institutional Systems	3	202	3	202	0	0
Collections Information System	5	757	5	757	0	0
Non-CIS Honeywell Conversion	3	788	3	488	0	0
IRM Policy and Planning	2	170	2	170	0	0
Capacity Planning	0	150	0	150	0	0
Manage Communications Program	3	192	3	147	0	0
Information Management/architecture	3	296	2	234	0	0
Long range information systems plan	0	50	0	50	0	0
Establish new database strategy	3	299	1	192	0	0
Computer Security	1	263	0	0	0	0
Consulting and helpdesk services	1	56	0	0	0	0
Electronic Mail	1	111	1	111	0	0
SIBIS Support	2	92	2	92	0	0
Registration System for NMNH	1	255	0	0	0	0
Geographic Information System	0	8	0	0	0	0
Relocation of Computing Facility	0	615	0	0	0	0
Disaster Recovery Plan	0	100	0	0	0	0
Payroll Personnel System	2	92	2	101	0	0
Personnel Actions tracking system	0	200	0	0	0	0
Technology Support Services	0	144	0	0	0	0
Technology Implementation	0	25	0	0	0	0
PC Upgrade and replacement	0	196	0	0	0	0
Communications network dev. & Mgmt.	1	400	0	0	0	0

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Technology Demonstration Lab	1	278	0	0	0	0
Technology Center	0	115	0	0	0	0
SI Information Systems	0	0	0	0	4	952
Total	32	11,264	24	3,426	4	902
Office of Printing and Photographic Services						
Add'l Equipt Operator	1	24	1	24	0	0
Video Disk Project	1	30	1	30	0	0
Total	2	54	2	54	0	0
Architectural History and Historic Preservation						
Admin. Asst, Research Support	1	48	1	47	0	0
Museum Technician	1	21	0	0	0	0
Total	2	69	1	47	0	0
Office of Environmental Management and Safety						
Environmental Auditing	1	107	1	107	0	0
Automated Health/Safety Data System	1	46	1	46	0	0
Safety and Occupational Health Training Program	1	55	0	0	0	0
Total	3	208	2	153	0	0
Special Employment Initiative (Phase III)	0	0	0	0	4	248
Administrative Space Requirements	0	0	0	490	0	201
TOTAL, ADMINISTRATION	65	13,556	51	5,940	32	2,789

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
FACILITIES SERVICES						
Office of Design and Construction						
Program Management	4	300	4	300	0	0
Facilities Planning	4	425	3	323	0	0
Major Construction & R&R Projects	2	115	2	115	0	0
Total	10	840	9	738	0	0
Office of Protection Services						
Emergency Egress System	60	1,451	17	411	0	0
Summer Hours	0	455	0	455	0	0
Guard Shortage	20	448	20	448	0	0
Maintenance Contracts	0	100	0	100	0	0
STRI SECURITY	0	150	0	0	0	0
Occupational Health	3	355	3	205	0	0
Security Systems Radio, Rekey, Equipment, Etc.	0	400	0	250	0	0
Training Facility/Guard Office	0	1,500	0	0	0	0
Total	83	4,859	40	1,869	0	0
Office of Plant Services, Immediate Office						
Strengthen Buildings And Facilities Maintenance	6	371	6	183	0	0
Enhance Automated Administrative Support Systems	2	142	2	139	0	0
Enhance Transportation Management Function	2	59	1	33	0	0
Total	10	572	9	375	0	0
Utilities						
Utilities Increase	0	1,047	0	1,099	0	1,255
GRH Utility Restoration	0	0	0	0	0	216
D.C. Water & Sewer Costs	0	0	0	0	0	2,742
Total	0	1,047	0	1,099	0	4,213

FY 1991 INCREASE REQUEST HISTORY

ACTIVITY, UNIT/ITEM	BUREAU REQUEST TO SI FTE	BUREAU REQUEST TO SI $(000)	SI REQUEST TO OMB FTE	SI REQUEST TO OMB $(000)	SI REQUEST TO CONG FTE	SI REQUEST TO CONG $(000)
Rent						
Rental Increases	0	300	0	184	0	265
Office of Horticulture						
Gardener	9	400	2	100	0	0
Tree Replacement & Contractual Service Program	0	135	0	0	0	0
Major Equipment Replacement	0	330	0	0	0	0
Nursery Headhouse Renovation	0	240	0	0	0	0
Office Automation	0	50	0	0	0	0
Total	9	1,155	2	100	0	0
Building Manager, South Group						
Laborers - Exhibit Support	4	72	4	76	0	0
Laborers	2	36	0	0	0	0
Travel	0	3	0	0	0	0
Total	6	111	4	76	0	0
Quadrangle Building Manager						
International Exhibit Gallery	2	38	0	0	0	0
Support services for the Education Center	10	220	10	216	0	0
TotaL	12	258	10	216	0	0
TOTAL, FACILITIES SERVICES	130	9,142	74	4,657	0	4,478
TOTAL SMITHSONIAN	584	71,706	432	39,635	158	20,770

FY 1991 BUDGET INCREASE

Mr. YATES. Do that. For the first time, I feel sad for the Smithsonian. I've never really felt sad before because this is one of the magnificent institutions of the world. If you're falling behind, that is bad. If you are, we're not taking care of our part.

Now, staff points out that you're getting increases in other areas. You've got a $13 million increase. Is all of that for the Indian Museum?

Mr. ANDERSON. Almost all of it.

Mr. YATES. And all of the other museums have to suffer?

Mr. ANDERSON. That's one way of putting it.

Mr. YATES. Well, is there another way of putting it?

Mr. ANDERSON. No.

SMITHSONIAN TRAVELING EXHIBITION SERVICE

Mr. YATES. Okay. Did you want to tell me something else, Mr. Freudenheim?

Mr. FREUDENHEIM. Well, just to point out a few of the kind of critical issues. Mr. Adams has already mentioned the SITES issue. I just want to point out that it really is a crucial problem because it is one of the ways in which——

Mr. YATES. I have a high regard for SITES. This is the way the Smithsonian goes out through the country.

Mr. FREUDENHEIM. That's right.

Mr. YATES. It undertakes an education process that I think is marvelously important.

Mr. FREUDENHEIM. Numerically, Anna Cohn can cite chapter and verse on the numbers. Numerically, the number of people we reach is quite staggering, even in relationship to the numbers that the Smithsonian reaches in its Mall museums. It is a very impressive number.

What is important to understand is that we reevaluated SITES a couple of years ago, and looked at what we were doing that was good for the people we were reaching and how to reach those people better. It turned out that a large number of our projects were, in fact, very costly. They were going to the larger museums, and they had to be self-supporting because of the nature of the operations. When we got a new director in Anna Cohn, we gave her marching orders. We said, "This has to be more of an outreach operation. It has to reach smaller museums, and they have to be able to be projects that are more affordable for smaller museums so we can reach broader numbers of audiences, reach museums in the African-American community and the Hispanic community, and get to a totally different range because other people were doing the big stuff." We're undercutting the opportunity to do that now.

Mr. YATES. You say additional Federal appropriations will be critical to SITES, ability to expand the Smithsonian to these new places and groups. By way of illustration, SITES estimates an increase of 24 workyears and $1.4 million would be required to offer low-cost exhibitions by reducing the participation fees that SITES must now charge.

SMITHSONIAN'S LEADERSHIP ROLE

Mr. FREUDENHEIM. It is really a central issue that I don't want to lose sight of. What I think I also want to make sure you're aware of is that in the process of what we're doing, we are increasingly looking at who we're reaching, whether it's in SITES, or whether it's in our museums. We're doing audience studies. We are redirecting the way in which exhibitions are created to make sure that we are much more aware of their success or failure rate. We're looking at how well we spend the little money that we have to spend in terms of the reach that we're getting, and that is really new.

That is a leadership position that we're in also, because a lot of other museums in the country are counting on us for this information. We are beginning to teach in ways that people used to just sort of think about vaguely. Our Institutional Studies program is really doing that quite carefully.

We do audience surveys. We are really looking at how well you can communicate in exhibitions. This starts to have an impact because it means that the funds that we're spending on these exhibitions are going to be that much better used. That is true really throughout the Institution. I can't even cite a particular museum that would be notable in that case because virtually every museum is working in that regard.

Some of that is being done with non-Federal money. We have a Special Exhibitions Fund, which comes out of our Trust funds, and we use those funds to really help where Federal monies are not available and to help redirect the exhibition process. Part of this effort involves the Experimental Gallery, for example. Kimberly Camp is the new director of that project. She is here and can speak to that. We're looking in a very specific laboratory way, if you will, and that's, again, part of the Smithsonian research operation in a sense. We will be looking at how museums communicate in the exhibition process with audiences in a very specific lab way.

ANACOSTIA MUSEUM

Mr. YATES. What are you doing about the Anacostia Museum?

Mr. FREUDENHEIM. The Anacostia Museum—I'm sorry to say that we lost the director, John Kinard, last August, but in spite of that I must say that John left a heritage of a real challenge to his staff, which is very devoted to him. In just six months, they have come a long way. They have had internal meetings to develop a new mission statement for themselves. This is under acting directorship. They have had community meetings with roundtable discussions to get a sense of the larger reach that they have. They are in the process of putting together a program plan so that we can bring in an outside consultant to deal with the possibility of new construction for them.

As you know, it was a long-time dream of John Kinard's to move to Poplar Point and to get a building there. The museum staff is in the process of putting together the rationale that will make it possible for us to look at that planning process.

AFRICAN-AMERICAN PROJECT

Mr. YATES. What is happening to the proposed African-American Museum?

Mr. FREUDENHEIM. Well, that project is going along very well. We have Claudine Brown, who is also here, on staff managing that. She is in the process of networking with all of the necessary people in this very large world that have to be talked to. An advisory group has been called together. They have not yet met, but will soon meet and will start to look at all of the issues. I think Claudine can talk about it much more articulately than I can. In a very short time, again, a lot of progress has been made on that project.

MUSEUMS AS EDUCATIONAL INSTITUTIONS

I'd like to just move to one other issue as I think I've covered most of the things I'm interested in talking about. That is the issue of museum education and back to this central point that I like to keep making. The public part of the museums is my charge in terms of my portfolio, if you will, but it is also my personal commitment. It's why I wanted to come to work here, and it's interesting. You know, I look out my window and there are all these zillions of people out there every day. It is really hard to forget that you're doing this for a lot of people because when you walk in and out of your office, you're bumping into them. That is very exciting, and it is very challenging.

Where I think, again, we play a leadership position in this field is in our museum education and communication with these people. It isn't just the incredible array of programs of which we have vast amounts. I'm sure you get all the announcements of—lectures, symposia, films, concerts, et cetera. It isn't only that kind of thing, but the actual encounter of the individual person in the museum, with whatever it is the museum is doing. That is in itself a very complex educational process which we don't yet know enough about, I have to say. We are in the leadership role of trying to find out about, and trying to refine, and trying to make sure that we're having more effect and more success at communicating with all of those people. We do that.

All museums do it in some ways, and all museums are responsible for doing that. That is not a role unique to the Smithsonian, I'm happy to say. I think we are even more self-conscious about it than most museums because we do have this burden, or monkey on our back, or whatever you want to call it. That is a sense of being the National Museum and having very special obligations. That is getting harder and harder to do, frankly, because it's the issue of having enough people to keep the museums open; or having enough people to do the exhibitions; or having enough money to support the exhibitions; or to manage the stuff in the backrooms, which maybe the public doesn't see, but ultimately demoralizes the process, and in the long run will undermine the research that is behind the exhibitions. All of that is just much more difficult to do these days.

I don't want to even preempt their time because my colleagues can give you this in chapter and verse a lot better than I can. I think everybody is feeling this in spades, and it is really tough.

Mr. YATES. Okay. All right.
Mr. Atkins?

DINAMATION

Mr. ATKINS. I just have one small point, but I think, at least for me, it is an issue of growing concern. The Smithsonian really sets the standard nationally for excellence in museums and also for accuracy. I had an opportunity to go through your dinosaur exhibit which, I think, was terrific. I guess it was a commercial venture that set it up? Is that correct?

Mr. FREUDENHEIM. Yes.

Mr. ATKINS. They did not communicate with any paleobotanists, and there are a number of clearly-recognized fallacies about plant species of the time. I'm just concerned about what that means. I mean, they have beautiful magnolias through the Cretaceous period. My understanding is we now appreciate that that is probably not——

Mr. YATES. One of the paleobotanists has just risen. [Laughter.]

Mr. ATKINS. I'm just concerned that we maintain your continuing standard of excellence in the public exhibits.

Mr. YATES. Mr. Talbot, are you speaking in defense of a magnolia?

Mr. TALBOT. Oh, intensely. It is very important to us that, in fact, we are accurate. As the construction was made in Los Angeles by the company concerned, we sent our people to work with them, and they had two good paleontologists themselves. Although there may be details I think which are not agreed to, our own paleontologists are very comfortable that the backgrounds are as accurate as they could be. We gave them three months to do that, so it was not an easy task. I think magnolias are——

Mr. ATKINS. A reach? [Laughter.]

Mr. TALBOT. On the border.

Mr. ATKINS. What about the dogwood?

Mr. TALBOT. Sorry?

Mr. ATKINS. What about the dogwood?

Mr. TALBOT. I'm not very good at—I'm not saying, however, I've had no evidence from my own paleontological staff, some of whom——

Mr. ATKINS. I think——

Mr. TALBOT. It is a very accurate exhibit.

Mr. ATKINS. I think the problem may relate to the fact that paleontologists did look at it. I think paleontology is excellent with one small technical problem. That is that paleobotanists don't appear to have had significant input, at least into the final exhibits. It is a small point, but I think a significant one particularly in terms of the visibility that that exhibit will have.

Mr. TALBOT. It is a very big part. I shall find out precisely and write to you so I can make sure.

[The information follows:]

PRIMITIVE PLANTS

Although the genus *Magnolia* is not known from the Early Cretaceous period, and is no longer generally considered to be among the most primitive flowering plants,

it is a member of a more inclusive group of flowering plants that has a fossil record going back well into the Cretaceous.

ADMISSION CHARGES

Mr. YATES. Were you not troubled by the fact that they charged more to get into this exhibit than they did in the previous ones?

Mr. ATKINS. Well, I was going to——

Mr. YATES. Aren't you charging more than they did at the last exhibit?

Mr. TALBOT. The average is usually about $5.00 to $7.00 and higher, but we didn't ask them what we should charge. We worked out a budget ourselves in a conservative way, and it was done by my staff. We felt we could cover costs at $4 per——

Mr. YATES. Does this establish a new pattern for Smithsonian exhibitions?

Mr. TALBOT. We agonized over this one, as I have indicated. I don't think we enjoy keeping anyone out of any exhibit. We couldn't support this exhibit without charging admission. We don't use our trust funds for this kind of exhibit.

Mr. YATES. What was your impression when——

Mr. TALBOT. I'm sorry, we don't use our Federal funds for this kind of exhibit.

Mr. YATES. What was your impression? Did you feel badly about having to pay to go into the exhibit?

Mr. ATKINS. The huge lines in front of the thing are indicative, I think, of the enormous public support. The thing that I can't support is the concept of having some charges. I think that that is a difficult one, and I know it is a very sensitive subject, particularly where the rest of the museum is free and is open. It seems to me that it is useful for the Smithsonian, and I think that they've dealt with it sensitively to try and have some kind of charge.

The thing that does concern me is that there are real problems in crowd control that I hope you deal with because I think that is going to be significant. I know people who waited three hours in line to get in to see the show.

Mr. ADAMS. This was a new venture for us. We, obviously, have more to learn in that area. We certainly will try to. It turns out that the delays were worse in getting through the cashiers to buy tickets than they were in getting through the show itself.

Mr. TALBOT. We're trying to do better. We've done some things that did reduce the crowd problems. We had no one complain. I haven't received one major complaint about charging. There have been very nice people in lines. They haven't gotten worried. We're trying to do better on the process. We got such publicity we were overwhelmed by the number of people that wanted to come.

Mr. ATKINS. I'm just glad I'm a Member of the Congress and not a tourist, Mr. Chairman.

Mr. FREUDENHEIM. Mr. Chairman, I just want to comment on that charging thing a little bit. I personally have very strong feelings about free museums. The last museum I was at, the first thing I did when I walked in was to take off the admissions charge because I felt strongly that a community museum is really part of the community patrimony, and people ought to have access to it.

I do think there is a difference between that kind of access, which is really available in Washington's Smithsonian museums, and access to special show kind of things, which the dinosaur exhibition really represents, where you're talking about huge amounts of extra costs, et cetera. I think that while this is probably not a real precedent because we're not likely to do this again, I could imagine it happening again for another similar situation. I think we're all very committed to keeping the national patrimony open, available, and free to everybody.

Mr. YATES. And so are we. Thank you.

CULTURAL DIVERSITY AT THE SMITHSONIAN

Mr. Early is next on the list. Mr. Early, they have you down here as talking about the cultural diversity of the SI mandate and budget and the implications of the SI role in formal/informal education. Are you going to be lengthy or brief?

Mr. EARLY. I'm going to go against my nature and try to be brief, but how lengthy I'll be may depend on your questions.

Mr. YATES. Well, I'm not going to ask any questions of the rest of you because we're going to go to lunch shortly.

Mr. EARLY. Well, this is a very serious issue, and I hope it doesn't suffer from shortness of time.

Mr. YATES. Well, if it's a serious issue, it won't suffer for shortness of time.

Mr. EARLY. Very good.

Mr. YATES. You can take as much time as you need.

Mr. EARLY. Very good. I think you are aware that there has been increased scrutiny and criticism of the Smithsonian with regard to issues of cultural diversity, not addressing those issues in the context of the mandate to increase and diffuse knowledge.

Mr. YATES. I'm aware of that.

Mr. EARLY. Those points of scrutiny come both from the public, and they have come from Congress in the recent Cardiss Collins report. Congressman Clay and others have been concerned. Some members of the Hispanic caucus as well have been concerned, as well as internally concerned. I think that it is a good sign that the Smithsonian is engaged in its own internal discussions and sometimes debate about the issue. As a result of this scrutiny, one of the recommendations that came forth from the Cultural Education Committee, which is a voluntary committee that advises the Secretary and senior management on these issues, was to formalize some kind of oversight, facilitation mechanism in central administration that called explicitly for an assistant secretary for cultural equity. That concern was also echoed in the Cardiss Collins report.

The Secretary has considered that recommendation over the course of perhaps about two years and has come to the conclusion that there was some validity in it. As a result, the Office of the Assistant Secretary for Public Service has been charged with the facilitation and the advocacy of issues of cultural diversity and cultural equity. I think it is important that I take a brief moment to provide, if not an outright definition for what we are talking about, at least some point of orientation.

There is widespread discussion across this country with regard to issues of cultural pluralism, cultural diversity, cultural equity, cultural democracy, outreach, et cetera. Most of those terms have recognized the obvious. That is that we are indeed a diverse cultural society and have been from the very beginning of the formation of this country.

Recognition, in and of itself, is somewhat of a step forward. But it does not alter the prevailing standards or notions of excellence, the power to define in or out. In that regard, the issue of equity is critically important with regard to, first, hiring people from culturally diverse backgrounds who have expertise and sensitivities that, heretofore, institutions like the Smithsonian have characteristically not had, notwithstanding some departments or bureaus that have done well in this area. They have done well around one cultural group but not well around others. In most of the instances, the Institution has not done well across the board.

The question of equity also then suggests that equity must be found in the budget and that it is more than a philosophical position that we believe in cultural diversity, cultural equity. There are various standards evolving internally to various cultures, and we should recognize and engage those. Indeed, it must be reflected in budgets.

The Smithsonian, I think, is to be applauded for entering into the debate. In fact, it has created somewhat of a current across the Nation of rising expectations that this Institution, which had led in so many things in the area of museology and cultural institutions, will also lead in this arena.

However, we run a real risk at this point. In fact, I would venture to say that we are beyond real risk. We are already creating increased frustration internally as well as externally because while we have arrived at a good outlook on the issue, the baseline requirement is that you have to have staff. That costs money. Now the Smithsonian has taken certain measures with regard to reprogramming, but there is only so far this reprogramming can go before you start to cut into those other valuable issues of cultural patrimony or scientific patrimony, if you will. It is a problem that reprogramming alone will not face.

Various of the bureaus have taken initiatives to seek out private funding. In varying degrees, they have been successful. The limitation there is that those funds are soft money. That really depend on the whims of the private funders. These diverse cultural groups, more explicitly people of color, incidentally, will not be minorities by the first quarter of the 20th century. The term will have very little relevance because these people, of color, if you will, people of various language backgrounds, non-European stock, will be the majority, and so the term "minority" will fall to the wayside.

The question then is: why should these cultures have to ride the crest of the whims of the private funders? In that regard, this Institution needs more money in its Federal base. These are critical years. They are years in which the Smithsonian has entered into the discussion. That has not been the case over the last quarter of a century in the concentrated way that we have it now. There is no guarantee that the present personnel will be around long enough to sustain this forward motion, so that is one critical factor.

Another critical factor is that we know what the changing demographics are and, cognitive of those changing demographics, we are witnessing an increased attention and focus in the academy on the issues of culture, not only in the arts and the humanities but in the sciences as well. We have precedent for that in the last quarter of a century with regard to the Black movement in which Black studies came in and shook the academy and required the academy to relook at its assumptions, even down to notions of epistemology—what is knowledge? The rise of the Museum of the American Indian will question that even more fundamentally because the world view of American Indians is so radically different from that of the other diverse cultural groups in this country.

We had this in the case of the women's movement with women's studies, with the Hispanic movement, et cetera, so the changing demographics suggest that we are just about even with the broader societal motion which is already beginning to be reflected in the academy and other cultural institutions. Therefore, it really is incumbent on the Smithsonian to get more money in its base.

You've heard various cases. The Smithsonian Traveling Exhibition Service is very, very important. I think Anna Cohn has done a marvelous job in really revamping the conception of SITES and going against the current to deal with some of these new issues. However, she needs money to change her staff. She has an excellent staff with regard to what they were hired for. They have interests beyond their expertise, but she has not been able to move as quickly as she would like to include cultural diversity on her staff.

When you've got cultural diversity, it changes the whole nature of the discourse—how you deal with communities; what you determine to be the cutting-edge issues and research; how that research should be translated into education. The experimental gallery has also been mentioned. Because it is on private funds, we run the risk that any successes that it achieves in the next two or three years will languish by the time we get it into our Federal base. So that is another issue that needs to be addressed immediately.

The pivotal issue from my vantage point, outside of the Museum of the American Indian, is the African American Institutional study. An excellent person has been brought on who has widespread knowledge not only about the museum community but a number of other important concerns with regard to how you deal with diverse communities.

What happens in the course of this one year? I think we all will predict that this study group that is being brought together will no doubt make positive recommendations that will require money in our base. Those recommendations may or may not include a museum on the Mall, but let's assume that it does not include a museum on the Mall. It certainly will raise questions about staffing throughout the various disciplinary areas of the Smithsonian, centers of study, publication areas, and other media concerns.

We run the risk of those recommendations sitting on the shelf because we will not have money in our base. Anacostia has already been addressed, in part, but it is another critical factor.

I was pleased to have been asked to chair the community forum. If Anacostia is to get down the road, it will need money right away. The larger museum community is looking at Anacostia as it

should. Anacostia set a trend in the community museum world. It happened to be a museum, in disciplinary terms, that focused on Afro-Americana, but obviously the public learned in broader terms. It helped set up community neighborhood museums across the country outside of Afro-American concerns in all kinds of ethnic and cultural communities.

Once again, the African-American museum community is looking at Anacostia to take a lead in helping it to do its work across the Nation, so there is another critical area.

SMITHSONIAN'S ROLE IN INFORMAL AND FORMAL EDUCATION

Let me turn just very, very briefly to the implications of the Smithsonian's role in informal and formal education. The terms are changing rapidly. The Smithsonian has on its staff one of the pre-eminent people in the field of what sometimes is described as informal education. That is Elaine Gurian, the Deputy Assistant Secretary for Museums. I have just scanned a paper—I have not had a chance to study it—that she has recently completed, I think a week ago.

If I read that paper correctly, it is asking us to rethink our terms. I'm already beginning to reconsider my terms, so with regard to what is called "informal education," for the moment I will call it "museum-based education." Tom Freudenheim, I think, has put the valiance on it. It is a critically important area. That is how this Institution is perceived in the public mind, nationally and internationally. Indeed, we must know more about how people are learning, the cognitive processes with regard to exhibition labels, and the contours that you set up for people to go through exhibitions, et cetera.

The Office of Elementary and Secondary Education, which presently comes under the oversight of my office, is one that has been centrally involved for a number of years in working with school systems and museums around the country to help school systems learn how to use museums in the formal curriculum. In that regard, that is more of an in-school thrust, if you will, in the classroom thrust, but it is not totally separate, by any means, from this museum-based thrust.

Ann Bay's office—Ann Bay is with us today—also does other things with the school system. The National Science Resources Center, which has come to the Institution in the last three years, I think, if memory serves me correctly, is very much involved in in-school education, helping to look at the crisis in math and science education at the elementary and secondary school level. Its focus is on the training of teachers, particularly in areas where there is not the budgetary infrastructure to have large laboratories.

How can teachers economize? What are some basic things that might be done to set a foundation for learning in science? A focus on science not just as empirical data, but science as a process, so that there is lateral transfer not only with regard to the natural sciences but with using the scientific process in life itself. That is a very effective instrument at the Smithsonian. It is not attempting to displace others in the field but rather to work collaboratively with them, and it is doing very well.

The Smithsonian Astrophysical Observatory has a "Project Star" which is teaching astronomy in the school system. This is another example of why we should be involved in the school system.

I'll close by saying that, at least it is my thinking at the present, and I'm engaging some of the principles of the Smithsonian in discussion now, that we should be very measured in how we move into in-school education. We can't be a school system. There are many, many organizations already out there, and we must be very careful in how we seek collaboration with them. Clearly, we should be involved in the school education.

SMITHSONIAN RESPONSE TO CARDISS COLLINS COMMITTEE

Mr. YATES. Mr. Early, that was a very good report. Let me ask you, how well is the Smithsonian doing? You touched on this. How well is the Smithsonian doing in answering the challenges that were presented by the Cardiss Collins Committee?

Mr. EARLY. Two factors, I think, should be considered. One is that the Smithsonian has stepped forward to engage the challenge. Six years ago there was a question of whether or not the challenge was legitimate, so I think the Institution needs to be recognized in a favorable way as they're stepping forward to engage the challenge.

The second point is that we have only made quantitative gains, I would say. This area is still not a part of the culture of the Smithsonian. It is not first nature. I think in many ways we still see it in sociological, moralistic terms. Albeit those are important factors, the baseline is that we're talking about an Institution that is involved in the increase and diffusion of knowledge. Therefore, with regard to the dispossession, disempowerment, discrimination, or however one might characterize what has happened historically to minority cultures or cultures of diverse cultural backgrounds in the U.S., this Institution's best foot forward is in the context of the increase in the diffusion of knowledge.

I think it is incumbent on more museum directors and bureau directors to step forward and to rationalize why they want to go forward in the context of their disciplines and their expertise. We are on the verge, I think, of fuller engagement of that issue. Some are doing better than others but, no matter what they do, if there is not money to get people on their staffs, to get their present staffs out—let me say that when we talk about experts in Afro-Americana, or Hispanic-American concerns, or American Indian concerns we are not restricting that to color, or gender, or issues of that sort.

There are already people on Smithsonian staff who are not from these cultural backgrounds who are recognized in the field for their contributions. We need more, and there are people with broader talent than we presently have, so money still is the bottom line in terms of how we assess where we are.

Mr. YATES. Do I take it from your answer that Smithsonian is doing well then in your judgment?

Mr. EARLY. Take it from my answer that Smithsonian is not doing as well as it might, but it is not stuck in the mud on the issue. We still have too many instances in which people are in a reactive posture.

Mr. YATES. Is it doing as well as it could with the amount of money it has?

Mr. EARLY. We are not doing as well as we could with the amount of money. Again, I want to go back to my opening statement. When you start to show more motion in this area, the expectations, possibilities of frustration, and increased criticisms also rise. It is not a simple either/or matter save that the bottom line is that money is needed. When there was what might be called surplus around, or money around in past years, whenever those years were, little was done in this arena. These communities are saying that they will not be held hostage to the fact that there is a real crisis at this point.

Again, the Smithsonian has stepped forward to engage the challenge. Let's help it get a critical mass of people and programs. Even in these extraordinary times of budget restraints, we have a commensurate, extraordinary issue that requires, I think, the Congress in its wisdom to take some extra steps and support increases in the base.

Mr. ADAMS. Mr. Chairman, could I make a small addition to that?

Mr. YATES. Yes, sir.

Mr. ADAMS. I think there is an opportunity that Mr. Early has touched on for the Smithsonian to move into a position of clear leadership in this area. I think if we were to do so, if we were to have the means to do so on the Mall in Washington, that would have a national impact. It seems to me that it would be a profoundly important thing were we to have the means to move well ahead of where we are.

Mr. YATES. On the Mall in Washington.

Mr. ADAMS. Giving it a sense of symbolism—it would say something to the museum world and to the university world that there are qualified people out there, that they can be found, that they can——

Mr. YATES. Are we talking about staff now? Or are you talking about the Afro-American museum?

Mr. ADAMS. I'm talking particularly about staff.

Mr. YATES. Okay. Well, I agree with you on that. That's what I understood you were trying to do.

Mr. ADAMS. We are trying. We're trying—within, as Mr. Early has just said, very limited means because of the fact there are positions that are frozen.

Mr. YATES. You pointed out the fact that you had a 10 percent freeze on it rather than a 5 percent freeze on it. I understand the consequences of that.

CONTROVERSIAL EXHIBITION AT THE HIRSHHORN MUSEUM

My attention has been called, Mr. Early, to something at the Hirshhorn, about a wallpaper there of some kind. Are you aware of that?

Mr. EARLY. I am aware of an installation that is presently there. I think its called "A Look at the 1980s"—that is not the precise title. Mr. Demetrion, director of that museum, is here. That has caused some consternation on the part of African-American staff,

and there is a process of discussion as far as I know with that museum.

Mr. YATES. I propose to ask Mr. Demetrion about it later because it was called to my attention.

Mr. DEMETRION. Can I address that now?

Mr. YATES. Do you want to address it now? Or do you want to address it later?

Mr. DEMETRION. I'll address it now.

Mr. YATES. Sure. Tell me about it.

Mr. DEMETRION. It's an exhibit, a collaborative exhibition, between two artists—Shirley Levine and Robert Gober. The part that has caused some controversy is the wallpaper. The wallpaper depicts a sleeping white man and a black man who has been lynched, and this pattern is repeated over and over again. After the piece went up, we heard from some of our staff, especially some of the blacks on the staff, that they were troubled by the piece and wanted some explanation of it.

I had the two artists involved meet with a number of members of the staff. I, myself, met with them. The curator of the exhibition, who is from an outside museum, someone that we had contracted to do the exhibition, also spoke about it. We put up a sign as well explaining that what the exhibit was about was the fact that the artists were trying to get across the idea that while whites were sleeping, terrible things were happening. It had to do with the marginalization of certain segments of society.

Included in the exhibit is a closet without a door on it. The reference there is to the gay community, to people also on the margin, on the fringe of society as well. There is kitty litter in the exhibition as well. As the curator of the exhibition, a woman, pointed out, throughout history females have been thought of as feline by certain people. That's what she said.

Mr. YATES. People are interpreting his photograph differently than he intended.

Mr. DEMETRION. Exactly. And that's why we felt it was important to put up a sign explaining the position of the artist and the curator, which we have done. Since we have done that——

Mr. YATES. Whose idea is putting all these things in here? Is it the artists' idea?

Mr. DEMETRION. Yes, right, and the curator's idea as well. Since we put up the sign, we have had three or possibly four written complaints. Actually, that is since the beginning of the exhibition.

I should also point out that we had a Robert Moskowitz exhibition at the museum last year. He included a painting which had a swastika in it. We got complaints from the Jewish community about that and, again, the artist put up a statement explaining what he was trying to do by including the swastika in the painting.

When you deal in the era of contemporary art, I think we're dealing in a controversial area. That is the explanation for it.

Mr. YATES. How long will the exhibit be up?

Mr. DEMETRION. It will be up through May 6.

Mr. YATES. How does one correct this?

Mr. DEMETRION. Pardon me?

Mr. YATES. You have taken steps to correct it by putting the signs up?

Mr. DEMETRION. We put up a sign to explain what it is the artists are trying to do. We received a letter from a woman in Kentucky who thought the sign should be bigger. I recently met with a new trustee at the Hirshhorn, a black woman, who seemed a bit distressed that we had to put up a sign at all. You're always going to have differences of opinion on this. It's a sensitivity question.

Mr. EARLY. Mr. Chairman, if I may, let me extrapolate from this point and not discuss the point per se because I don't think this is the place for us to have our internal staff meeting. We also, I think, have to be somewhat sensitive to the rising current, or spreading current, again, of censorship. I'm mindful that "How You Like Me Now", which was done by an African-American artist, was right down here on 7th Street recently in the last five months. It was torn down by Black folk who saw it as being racial because they thought it defiled the character of Jesse Jackson.

I think there are some parallels to be drawn, again, not to discuss this particular point at the Hirshhorn. That is that these communities who historically have not been in museums, who have not had solo shows, or who have not been on the staffs of these museums see those as points of context when they look at any one issue.

That is not to say that had the Hirshhorn historically had African-Americans, on its staff or shown African-American solo artists, or not to say that had Afro-Americans been shown on Georgia Avenue for many, many years that these two events would not have occurred, but certainly——

Mr. YATES. I'd like to adopt that change.

Mr. EARLY. But certainly it is part of the context in which people address these particular issues. I think with regard to these hearings and what we are attempting to do with cultural diversity, we are trying to overcome all of those years in which we have not had people on the staffs, whether it has been in the art museums, or the history museums, or in the Natural History areas, or the Astrophysical Observatory, or what have you that may be a part of the Smithsonian. I would offer that I think that is probably a more significant framework to address any one criticism that might have come before you rather than to concentrate on the Hirshhorn.

Mr. YATES. I guess through history you've had what was then contemporary art having to face criticisms by important people and members of the community. Didn't whatever Pope it was who commissioned Michelangelo object to some of the things that he encountered?

Mr. DEMETRION. Right. That had to do with the issue of nudity. There are always these controversies which develop. I have been in——

Mr. YATES. I have had some experience with it. [Laughter.]

Mr. DEMETRION. I've heard that you have.

Mr. YATES. And I will probably face it again, but——

Mr. DEMETRION. James makes a good point.

Mr. YATES. James makes a very good point.

Mr. DEMETRION. He makes a good point. I should note, however, that the Hirshhorn has a very small curatorial staff, namely six people. Since 1978, there have been two hires on the curatorial staff. One was a white male, and one was a Cuban-American female. I am told that the Cuban-American female is not consid-

ered a curator because of bureaucratese in either the Federal Government or the Smithsonian. I hope no one will tell her that when her exhibition that she has organized opens at the museum next Wednesday night.

It is a case that this person was doing only curatorial work but, because she is not in charge of a collection, apparently she cannot be considered a curator. Is that correct?

Mr. ANDERSON. That's the logic of it, yes, James.

Mr. EARLY. And, consequently, in the way that the Federal Government registers the issue of minorities and women, nor can she be considered in a higher professional category.

Mr. DEMETRION. She is a non-person.

PROGRESS IN CULTURAL DIVERSITY AT THE SMITHSONIAN

Mr. YATES. Are we making progress, James?

Mr. EARLY. We're making quantitative steps. This is a complex——

Mr. YATES. Is that the same thing?

Mr. EARLY. No. It is not quite the same thing. [Laughter.]

As I said, it has not yet become a part of institutional culture. I think we begin to see progress, and we might think about a yardstick of progress when we are in a proactive mode characteristically across the Institution rather than characteristically in a reactive mode. I think we begin to see progress when we see the managers under the Secretary begin to step forward in the same consistent way that he has stepped forward in setting policy guidelines, when people are engaging this issue the way that he has come to engage it. I'm not here to praise the Secretary and say that he has stepped forward. I think his guidance in this needs to be recognized.

I think, to be more direct, focus needs to come from those who are in charge of bureaus and departments. That is where the experts are. I'm not an expert in African-American history or Latin American-Caribbean history, although I sometimes claim to be one in the latter. I'm a bureaucrat.

Mr. YATES. If you'd only finished your doctorate.

Mr. EARLY. If I'd only finished the doctorate, right. I still may decide in a few years that this is too frustrating for me and may, indeed, go back to do that. [Laughter.]

The real forward progress depends on the disciplinary and program area specialists. They are the ones who know the field or who should know the field. They are the ones who should be going to the professional associations, reading the literature, following the art scene or whatever the scene may be, and we're the ones who should be facilitating with them. So I think when we begin to see some of those factors emerge more fully we can begin to talk about qualitative progress rather than quantitative progress.

Mr. YATES. Well, I'm glad you came forward with your explanation. I can see that much of what you've said has to be set within the laws of the Smithsonian itself. It also has to be set out here and on the record. We're aware of it, and we're in a position to keep pushing in support of the concepts that you've explained.

FUNDING REQUIREMENTS FOR CULTURAL DIVERSITY

Mr. EARLY. If I may take one additional brief moment to talk about pushing for those concepts. Certainly, encouragement on the part of Congress and its various committees and scrutiny on the part of Congress is important. I do want to go back to the fact that funds are needed. In a recent discussion that I had, actually last week with staff people from across the Institution, we talked about $5 million being a catalyst that would merely at this point set the kind of foundation stone for what needs to be done in the outyears to come, probably 10 to 15 years, to really get the Smithsonian up to snuff. That would still be in line with the Secretary's point that the Smithsonian has the potential to be a leader for other cultural institutions in the U.S. and I would say, indeed, the world.

It is very interesting—and it won't be surprising at one level—that cultural institutions and intellectual institutions across the world resonate to the name "Smithsonian." I would venture to say that that valance is even higher when it comes to these culture-diverse communities from Latin America, the Caribbean, Asia, and from Africa.

Talk alone, scrutiny alone, or encouragement alone will not do it. We really do need some outright support. If there is any way that one can get——

Mr. YATES. Well, we've tried to give support, of course, over the years because, as you pointed out, this is an important matter. What have we not discussed in your field?

PUBLIC SERVICE BUDGETS

Mr. EARLY. I've not said anything about my needs in the 1991 budget. It think it is $15,000 for quincentenary publicity. The Office of Public Affairs does a tremendous job, so that is a small amount.

I've not said anything about the Office of Public Service because, I think, it is at a rather sad moment throughout the Smithsonian. We have arrived at a point in history, both in terms of the country and the Smithsonian, where the Institution is, in my view, under stress across the board.

Mr. YATES. I agree.

Mr. EARLY. I have opted to not really talk about the entities under the Office of Public Service. We are stressed like everybody else, but I have opted to look at what I would consider more critical areas that will get us down the road in cultural diversity. Not all of the entities under the Office of the Assistant Secretary for Public Service address this in the most direct sense, but they have their limitations and their needs. If you'd like, I certainly will go through all eight of them and tell you about some of those needs.

Mr. YATES. Do you mean for your department?

Mr. EARLY. Yes, but I think I have addressed what I need to address at this table.

Mr. YATES. Yes. I think so.

At any rate, let's come back at 2:00, and we'll do it again.

[Recess.]

TRUST FUND CONSTRAINTS

Mr. YATES. Ms. Leven, how many constraints do you have on your trust funds?

Ms. LEVEN. Only dollars.

Mr. YATES. Only dollars?

Ms. LEVEN. Only dollars. You read through the January minutes of the Regents' meeting. I think that pretty well summarizes where we still are. There are a number of memos that have gone forward to hold back costs. On the other side, we've looked at additional sources of revenue, if we do truly face a deficit at the end of the year. In sum, what steps can we take to come out with a balance? Most options involve limiting our special "care" package of funds, funds that are available for acquisitions, exhibitions, fellowships, scholarly studies, and educational outreach.

Mr. YATES. Is that all you want to tell us?

Ms. LEVEN. I think that's all I have to tell you.

Mr. YATES. Good. All right, that's fine.

Ms. LEVEN. It's not fine, sir. [Laughter.]

Mr. YATES. I was talking about the brevity of your presentation, not about the brevity of your money. [Laughter.]

PERSONNEL ADMINISTRATION

Mr. Jameson, do you have very much to tell us?

Mr. JAMESON. Yes. There are three things that are in the budget that I'd like to mention briefly, and then, perhaps with your indulgence, mention one thing that isn't in the budget that is causing us some heartburn these days.

The three things that I'd like to mention are the personnel administration, computer services, and repair and restoration of our buildings. All of this relates to the way that you opened this hearing, looking at page 2 of our budget, all are related to infrastructure and deficiencies in our base. Also, the Office of Management and Budget gave these three areas high priority in its allowance among the very few activities that they did allow new support monies for.

The first item is for the personnel office for which we are requesting $426,000. This will primarily do two things: allow us to sustain the authority that the Office of Personnel Management has given us to examine for about 20 job categories of particular relevance to the institution, including guards, museum curators, and scientists. We have found that this can be very helpful in terms of expediting the hiring process and allowing us more opportunity to look for minorities. Often the OPM registers that come over for particular jobs do not have much in the way of minority candidates on them.

The other part of that request is to implement one of the recommendations of the study we had done last year by the National Academy of Public Administration, which determined that our personnel office is badly understaffed in terms of the ratio of personnel staff to their customers. We run at about 1 personnel person for 92 people served, probably closer to sort of an industry average ought to be 1 to 72.

One of the things that we really ought to do with our personnel office is begin to orient it more toward the human resources of the institution, try to shift the emphasis from being reactive to being proactive. Apropos to what you and Jim Demetrion were talking about this morning, we do live within the classification standards that OPM puts out. Frequently, they are sort of 19th century vintage, and they do not adequately reflect, for instance, in the art museum community what curators in an art museum do. They tend to think of our people to manage collections. We ought to begin to develop our own guidelines for the classification of certain positions, try them out and be in a position of explaining why we're using our own guides to the Office of Personnel Management.

COMPUTER SERVICES

The second area is computer services, which the Secretary has spoken about extensively in his opening statement, and a couple of other witnesses, including Tom Freudenheim, have spoken about this morning. There's $1.2 million in the budget request. Approximately three quarters of that would go to the central Office of Information Resource Management and be primarily used in three ways: one, to develop a long-range planning statement for the application of computer technology for the Smithsonian; second, and with particular relevance to the Museums of Natural History and American History, provide more support to develop computer systems for their particular collections; and, third, expand the automation of our bibliographic and archives databases.

Should the opportunity afford itself, I think it would be useful for the committee to hear some words of support from people like Roger Kennedy, Frank Talbot and Dan Appleman later on in the afternoon.

The balance of that $1.2 million is for Ann Leven's Office of Accounting and Financial Services to maintain up-to-date documentation of the accounting system and to further automate that particular office and improve communications between the central accounting office and the branch accounting offices which are in the museums.

REPAIR AND RESTORATION OF BUILDINGS

Last, I would mention the R&R account, for which the Office of Management and Budget did allow an additional $2 million over our 1990 base, so we're now up to almost $29 million. We can use every penny, as you know. We are a little behind the power curve. As we conduct more inspections and inventories of our buildings, we find more things that need to be fixed.

The backlog in that account, that body of work, is about $229 million. The request that's before the committee represents about 10 percent of the work that we have so far identified that needs to be done.

ADDITIONAL SPACE REQUIREMENTS

As a postscript to space, I would like to mention two things a little bit longer range, and they won't take much time. The Secretary in his opening statement mentioned the initiative that's pres-

ently underway to find improved and larger space for what we call our special purpose and light industrial activities of the Institution which are presently housed on North Capitol Street. We have a request for proposal out on the street. We've had a pretty good response to it. We would anticipate that the only way that could be funded beginning in 1992 or 1993 is through a lease-purchase agreement, given the competition for construction funds that are in future year budgets.

The other area that we need to do something about is to bring together and consolidate our administrative functions which are now housed in a scattered array of leased spaces, primarily at L'Enfant Plaza. We're talking with GSA about the prospect of acquiring a building close to the mall for administrative purposes.

OFFICE OF PROTECTION SERVICES

The item that isn't in the budget which has caused us all a good deal of agony at the Institution, and anticipating that you might ask me about it later, I thought I could volunteer it now, is our security. We were very short this year in dollars for guards. We had to—through attrition—reduce about 92 guards in our staff.

Mr. YATES. Where?

Mr. JAMESON. At all of our museums.

Mr. YATES. I thought we just gave you some money a few years ago to hire more guards, and now you're letting them go?

Mr. JAMESON. This year we have Gramm-Rudman, water-sewer, and pay cost absorptions, all of which added up to a little over $1 million.

Mr. YATES. For all of those?

Mr. JAMESON. For the Office of Protection Services, yes, sir.

In times past, Mr. Siegle and myself, looking at all of the administrative facility budgets, have been able to do some reprogramming. But this year, also faced with a fairly substantial projected utility deficit, in part as a result of the Congressional cut in the 1990 budget, we had very little capacity this year to do any reprogramming.

In order to attempt to restore exhibit hall security, we have had to pass the hat throughout the institution this year to garner about $.5 million to allow Mr. Burke to go out and hire 65 permanent and temporary guards so that we would not have to keep closed an undue number of exhibition halls during the summer months, during times of high visitation. So, we're pulling ourselves out this year, but at this point 1991 does not look like a substantially improved year.

Mr. YATES. I've got to go vote.

[Recess taken.]

GLOBAL CHANGE

Mr. REGULA. I think we'll go ahead and get my questions in while we wait for the Chairman.

You had this meeting on global warming. What are you doing to assist policy and decisionmakers in evaluating the direction and consequences of human effects on the global environment?

Mr. JAMESON. I think I'd ask Mr. Hoffmann to speak to that, if I may, Mr. Regula.

Mr. HOFFMANN. In addition to the ongoing research that I spoke about this morning, we have been instrumental in organizing a number of symposia and workshops and other meetings that involve Members of Congress and the press and the opinion-makers, the public at large, concerning problems of the global environment.

Mr. REGULA. What does the fossil record of past ecosystems show us about how they adjusted to climate change? Is there a pattern?

Mr. HOFFMANN. It's a little too early to say that we know what the pattern is, but this is a project that is being tackled by an interdisciplinary program based at the Museum of Natural History, "The Evolution of Terrestrial Ecosystems Program."

Mr. TALBOT. Could I comment?

Mr. HOFFMANN. Yes, please do.

Mr. TALBOT. Sir, one of the things that you get information about——

Mr. REGULA. I went ahead with my questions.

Mr. YATES. Why, that's outrageous. [Laughter.]

Mr. REGULA. You can kick me off the committee. [Laughter.]

Mr. TALBOT. I was asked the question, asked to comment on the question, "What does the story of the past tell us about global change?" A number of issues seem to be important.

One is, if you look back at the fossil record, you find that ecosystems can be stressed quite considerably. In other words, there are temperature changes for a long time and then suddenly it seems that you get a collapse. I think that carries some warning for us.

Mr. REGULA. So, ecosystems are like the rings on a tree; they have quite a story to tell.

Mr. TALBOT. They have a tremendous story to tell. This interdisciplinary team of eleven scientists and their support staff have been doing some exciting things.

Mr. REGULA. Mr. Chairman, I have four or five more, if I could just——

Mr. YATES. You certainly may.

Mr. REGULA. Thank you.

Has there been a time when in the history, as you can at least view it, in studying ecosystems, that there has not been change? Is change a common denominator as you evaluate the past?

Mr. TALBOT. Shall I respond?

Mr. HOFFMANN. Go ahead.

Mr. TALBOT. What one finds in going back is there are tremendous periods of spaces, very long, quiet periods with no changes.

Mr. REGULA. When you say "long," what——

Mr. TALBOT. Millions of years.

Mr. REGULA. Is that right?

Mr. TALBOT. Millions of years. In recent times, we've had quite major changes during the past, it seems. The question that those scientists asked was, "How do we know whether we're getting change now?" The only way we can find out is by getting a baseline of really understanding what happened in the past. Then we can say, yes, we are changing or, no, we're not. That fossil record is important to give us that baseline.

Mr. REGULA. Change is really a natural phenomena?

Mr. TALBOT. Absolutely. I think where we all get concerned when we see the loss of species now, which is going at perhaps a thousand times the rate which it has gone on since 65 million years ago, is that the stresses continue. What seems to have happened in the past, is that you had a major flip and a loss of species, a tremendous loss of species; you then had the chance over long periods to recover, millions of years in some cases, hundreds of thousands in others, before even the state of sedimentary patterns in the sea, for instance, after one of the major changes 65 million years ago came back to normal. It took 320,000 years before you even got some normality.

If you think of this in human terms, and if you realize that the stresses we're making on the environment continue, then it's a different scale. We will not see change within the foreseeable future going back the other way again to increased diversity and reduced——

Mr. REGULA. Because of the impact of the human race on the globe?

Mr. TALBOT. That's right. We continue to impact, and also it has always taken millions of years to recover——

Mr. REGULA. I'm giving a couple of Earth Day speeches. Have you got some good lines for me?

Mr. TALBOT. Yes, it's a pleasure. [Laughter.]

Mr. REGULA. Would you send them up to me, please, tomorrow morning because I'll be leaving. [Laughter.]

Mr. TALBOT. I shall try to do that today, sir.

Mr. REGULA. All right, that will be great.

[Information was sent directly to Mr. Regula.]

HUBBLE TELESCOPE

Mr. HOFFMANN. If I could add just one thing. I would like to underscore the extreme importance of the very rapid, unprecedented rate of change that is the result of human activity. We have never seen anything like that previously in our history.

Mr. REGULA. The new Hubble telescope? Is that the one they're putting into space? Will it contribute to your understanding of the ecosystem and this change that you discuss?

Mr. HOFFMANN. As far as I know, it won't. It will be looking in the wrong direction. [Laughter.]

Mr. SHAPIRO. It is not going to be pointed toward the earth.

Mr. REGULA. No, I understand.

Mr. SHAPIRO. It is going to be pointed toward space. Some of its time will be spent studying the atmospheres of our neighboring planets. The argument has often been made that, if we understand the variety of conditions in the atmospheres of other planets, it will help us understand our own planet's atmosphere much better. It remains to be seen whether we really will get very useful insight, but it's certainly not implausible.

GLOBAL CHANGE RESEARCH AT STRI

Mr. RUBINOFF. I just wanted to add that at STRI we're addressing your question about global change. The Isthmus of Panama, which we know has been there for 3 million years, has given us an

opportunity to look at changes that occurred in the circulation of the Caribbean and changes that occurred since man passed through the Isthmus on his way to South America during the last 11,000 years. We are looking at those changes as a way of trying to read and calibrate those changes that we are currently experiencing and that our society is concerned about.

POLITICAL UNREST IN PANAMA

Mr. REGULA. Panama, I know there's a concern about your facilities there during that brief period. Is it stable now and everything is ongoing?

Mr. RUBINOFF. Everything is back to normal at this stage. We have no problems.

I guess I would have to say for a while our administrative activities were moderately affected. Our research programs were minimally affected. Things are all back to normal now.

Mr. REGULA. Aren't you on one of the islands off the coast?

Mr. RUBINOFF. We have several facilities. There are several islands. There's an island in the middle of a lake, Barro Colorado Island, that STRI operates, and then there's other facilities on the mainland. They're all okay.

Mr. REGULA. Thank you.

Mr. RUBINOFF. There was no damage to any STRI facilities and no harm to any STRI personnel.

Mr. YATES. Will you yield for a question? I don't see any armament on the boat. I don't see any missile launchers.

Mr. RUBINOFF. In connection with global change, we had an ad that appeared in Science magazine and Nature magazine announcing the vacancy for a paleoecologist in our global change program. It appeared on December 20. We had to readvertise. It was not the best timing. [Laughter.]

RATE OF GLOBAL CHANGE

Mr. REGULA. Is it true that the rate at which climate changes occur is more crucial than whether the climate is heating up or cooling down? In other words, more important than the temperature change is the speed?

Mr. HOFFMANN. Certainly in the past the rates have changed. While they have varied from time to time throughout earth's history, these rates of change have allowed ecosystems and their biotas to adapt to them. The rate of change that we may be on the verge of experiencing is, as I said, unprecedented. While it is always dangerous to predict, it would seem that it would be very unlikely that these ecosystems would be able to adapt to those rapid rates of change.

Mr. REGULA. That's an interesting point. If I hear you correctly, you're saying that if the rate of change is rapid, then it has a much greater impact——

Mr. HOFFMANN. That's right.

Mr. REGULA [continuing]. Because of the inability of organisms to adapt to those change in conditions.

Mr. HOFFMANN. That's right.

Mr. REGULA. The change that you've discussed historically was such a long span of time that obviously the organisms that were then present were damaged?

Mr. HOFFMANN. There is one incident that may be the exception here. That is the change that occurred about 65 million years ago. That, too, may well have been the result of a catastrophic event, the impact of a very large extraterrestrial body on the earth, causing instantaneous change. That was certainly the period in the, if you'll excuse the expression, the recent past of the earth that has caused the greatest amount of extinction and change.

Mr. REGULA. Sixty-five million years?

Mr. HOFFMANN. Yes.

Mr. YATES. What do we mean by rapid change then, 65 million years?

Mr. HOFFMANN. No, no. The event may have been instantaneous. It occurred 65 million years ago.

Mr. YATES. Well, when you responded to Mr. Regula's question, he was talking about rapid change. What do you mean by "rapid change?"

Mr. HOFFMANN. Rapid change would be the effect of the impact of a very large meteorite on the earth.

Mr. SHAPIRO. It could change the climate very rapidly, within days or hours.

Mr. TALBOT. Within days or hours.

Mr. YATES. You mean the fact that you're hit by something?

Mr. HOFFMANN. Yes, but——

Mr. SHAPIRO. All sorts of stuff would get thrown up in the atmosphere and change the balance of radiation coming in and going out, and could cause very rapid changes.

Mr. HOFFMANN. But the rate of change going on in the atmosphere at the present time is rapid by any other natural process except something like a meteorite.

Mr. YATES. What do you mean by that?

Mr. HOFFMANN. What I mean is that, since the industrial revolution, there has been an accelerating rate of change in the composition of the atmosphere due to increased pollution. In the last decade or so, the rate at which that pollution is accumulating is unprecedented, save perhaps for this one catastrophic——

Mr. YATES. Is there a relation between that and our deficits? [Laughter.]

Mr. HOFFMANN. That may be catastrophic as well, but in another field.

Mr. REGULA. What you're saying is that the impact of man on the earth has had a somewhat similar impact that this event 65 million years ago did?

Mr. HOFFMANN. It has the potential of affecting us that way.

Mr. LOVEJOY. There's an additional factor as well, which is the most of our plant and animal species are locked up in isolated parts of the earth. So that even if they could move fast enough to follow the climate as it changes, we've basically created an obstacle course for them. So it just compounds the problem.

Mr. REGULA. So you're saying the organisms other than man could not follow a climatic pattern in order to make the adjustment?

Mr. ROBINSON. That's what I was going to say—you can't move north with Philadelphia in the way, so to speak.

Mr. REGULA. This is a fascinating subject. We could spend the rest of the day on it.

Mr. YATES. Well, let's do it. [Laughter.]

Mr. REGULA. I have two more questions.

DEFORESTATION

Mr. YATES. Will you yield for just one question? That is, you've achieved fame in trying to stop the Brazilian tropical forests from being cut down. What about cutting our own forests down? Does that have any of the same kind of impact as cutting the tropical forests down?

Mr. LOVEJOY. Cutting some of the old growth, the remaining old growth——

Mr. YATES. Yes.

Mr. LOVEJOY [continuing]. Simply has the potential to cause a certain number of extinctions of species that only live there.

Mr. YATES. Yes, but what about atmospheric?

Mr. LOVEJOY. Atmospherically, it depends on what use the timber is put to. If it's burned, then you get CO_2 going in the atmosphere immediately. If it goes into construction, it's a slow decay.

Mr. YATES. What's the difference between tropical rain forests and that, the fact that the rain forest has so much more moisture in there?

Mr. LOVEJOY. Well, it's two or three things. One, something on the order of 50 to 90 percent of all plant and animal species are in the tropical forests, so it's much easier to cause large numbers of extinctions.

Mr. YATES. Oh.

Mr. LOVEJOY. And the second is that a lot of the tropical forest is cut and burned just to remove obstacles. That passes about a billion tons of carbon into the atmosphere every year. It's a big number.

Mr. YATES. And we're still doing it? Thank you.

OZONE LEVEL

Mr. REGULA. Have you had a chance to analyze the Tyro-Stashann weather satellite data, and what conclusions can we draw from the results?

Mr. HOFFMANN. No, we have not.

Martin, I don't know whether—have we been involved in the weather satellite data?

Mr. HARWIT. No.

Mr. HOFFMANN. No, this is not something we have been doing.

Mr. REGULA. Is there any other scientific evidence that you're aware of that would indicate that the ozone level is a naturally fluctuating phenomena rather than one induced by man's activities?

Mr. HOFFMANN. The Smithsonian has not been involved in that, either, although my personal opinion is that the NOAA data are pretty convincing on the fact that it is human induced.

Irwin, you have some recent atmospheric chemistry to report.

Mr. SHAPIRO. Right, but it's not helpful in answering Mr. Regula's question. I think that's still an open question.

Mr. REGULA. I've heard, I thought, very convincing lectures on that subject by Sherwood Rollins at the University of California, Irvine, who has been the main person working in that area. They have established in the laboratory the processes that affect the air and make what seem to me to be a very convincing case that we're dealing with a human disturbance here and not one that is naturally fluctuating, but I can't say that it's an area in which I'm an expert myself.

POLICY IMPLICATIONS OF GLOBAL CHANGE

I've said, and I'd be interested in your response, that we're faced with maybe a decade or more than decades of a natural conflict between environmental concerns and jobs, for lack of a more pragmatic term. Is that a fair statement?

Mr. ADAMS. Well, I think to some extent it may very well be so. The question obviously has to do with how one calibrates the cost of the measures that you're going to take. One needs to have cost very much in mind, indeed, as we plan what measures to be taken to ameliorate these effects. I don't think anyone would doubt that that's really the case.

I'm sitting at the moment on the Congressionally-mandated panel that's dealing with the policy implications of global change, and we're working on that question right at this moment.

Mr. REGULA. As a followup to that, I've read a number of descriptions of what happened in eastern Europe and the Soviet Union in terms of the lack of any environmental concern and the enormous task that faces them. I assume that has to be a concern to us regardless of whether it's located around the world; is that correct?

Mr. HARWIT. Well, our museum is working with Czechoslovakia on that, a joint project. We're just beginning to look at the deforestation in that country and neighboring region of Poland and East Germany, using LANDSAT images to look at deforestation over the period from 1972, when the first LANDSAT images became available, to the present.

Actually, just now you were asking about our own country. I was going to show this later, but it just takes a second, if you don't mind. We figure that we ought to also start at home and look at what we're doing ourselves. [Shows LANDSAT images.]

This is the region around the outskirts of Washington. Dulles Airport is here. This is November of 1982, and the blue areas are a buildup of buildings, manmade buildings. The dark areas are forests. You can see quite a bit of trees still.

Seven years later you see an enormous increase in the amount of blue, and you find that, if you look at the difference between the two in this little patch here, the red areas are the amounts that have been deforested and given over to building. It's about 8 percent of the total area of 900 square kilometers over a period of seven years.

Mr. REGULA. So you support the President's billion trees?

Mr. HARWIT. Yes. Well, I think——

Mr. YATES. Except the President hasn't put up any money.

Mr. REGULA. Well, that's our job.

Mr. YATES. Oh, okay. [Laughter.]

I agree with that, except OMB will probably veto it.

Mr. ADAMS. Mr. Regula, I think there are areas that we can move in that don't necessarily involve the tradeoff you're speaking of. There's been real progress made—and, in fact, made in the private sector more than the public one—with regard to renewables of various kinds. Photovoltaics are doing really quite well. Wind energy has shown remarkable improvements in recent years in energy efficiency.

Then, of course, on the efficiency side, there are great steps that can be taken that offer immediate paybacks.

Mr. REGULA. This committee has been on the cutting edge of technology. If the technologies achieve the success I think they will, it will do a great deal to remove NO_x, CO_2, and SO_x, and still have available a very valuable resource.

Mr. Chairman, I have a series of questions on Jazz—another form of pollution. [Laughter.]

Mr. YATES. Not the way Billy Taylor plays it. [Laughter.]

Mr. REGULA. I'll put these in the record.

Mr. YATES. Okay.

MIGRATORY BIRDS

I'll follow up on some of your questions. Years ago, Rachel Carson made an impact with her book, "Silent Spring." I look at the Nature Conservancy magazine and I see a comparable stomach-dropping phrase, "Empty Skies." "The populations of many species of song birds are declining rapidly and deforestation ranks highest on the list of reasons."

We look at Mr. Harwit's pictures and can see a lot of the reason for that, because what you're showing around Washington, D.C., is taking place around every urban center in the country; is it not? Development is going on, and we're going to be a concrete jungle before long. You're going to have patches of trees in the concrete rather than patches of concrete in the trees.

I notice that in response to a question that I asked, Mr. Lovejoy responded and talked about the potential migratory bird action, population monitoring, habitat monitoring, and research, training and policy. But, Mr. Lovejoy, you didn't tell us whether this would require any money.

Mr. LOVEJOY. Well, such things inevitably do. Bob Hoffmann is the one who's got that in his portfolio.

Mr. YATES. Well, he didn't let it fly out. What are you going to do about that, Mr. Hoffmann?

Mr. HOFFMANN. We have, in fact, proposed for the 1991 budget, as part of our global change initiative, to add two positions and $75,000 to get this program off the ground. The migratory bird project would involve scientists from both the Environmental Research Center and the National Zoo.

Mr. YATES. How much money would it involve?

Mr. HOFFMANN. I'm sorry?

Mr. YATES. How much money would be involved?

Mr. HOFFMANN. Seventy-five thousand for this first year.

Mr. YATES. Seventy-five thousand? That's in the budget? Is that adequate for your purposes?

Mr. HOFFMANN. It is adequate for us to begin this work.

Mr. YATES. Now will this be protecting the song birds?

Mr. HOFFMANN. It would be doing the basic research to understand what steps need to be taken to alleviate the danger.

Mr. YATES. Are you also on such matters as the endangered species programs? For example, are you on the spotted owl, too?

Mr. HOFFMANN. We don't do work with the spotted owl. However, we are working with the endangered black-footed ferret. Perhaps Mike Robinson would like——

Mr. YATES. Mike Robinson, we'll get to Mike Robinson in time.

Mr. HOFFMANN. Okay.

Mr. YATES. But what about the red squirrel?

Mr. HOFFMANN. The only endangered population is on Mt. Graham.

Mr. YATES. Are there lots of them elsewhere?

Mr. HOFFMANN. There are lots of red squirrels elsewhere.

Mr. YATES. There are? Okay.

Staff in the back whispers they're subspecies, however.

Mr. HOFFMANN. So is the Mt. Graham squirrel. It, however, is the most distinctive genetically of all of the different subspecies and populations of red squirrels, which is why it's of particular concern.

Mr. YATES. I haven't had an opportunity yet to read this article on empty skies.

Mr. ADAMS. There's a fine new book by James Terborgh from the Princeton University Press called, "Where Have All the Birds Gone?"

Mr. YATES. The same place where all the dollars have gone.

Mr. ADAMS. It summarizes the data from the tropics as well as from this country. It's something like a 50 percent loss of many of the species in the Washington area.

Mr. YATES. Really? Is that because of the building?

Mr. ADAMS. No, there is apparently pressure all the way up and down the migratory flightway.

Mr. YATES. Staff points out to me—from the Nature Conservancy headquarters in Arlington, Virginia, "One can hail a cab and within 10 minutes be at Glover Archibold Park, a fine old park in the heart of Washington. For the past 30 years, a group of dedicated birdwatchers has regularly counted breeding birds within the park, and the results are shocking. Acadian flycatchers, northern perulas, American redstarts, and hooded warblers, all of which once nested there, have disappeared. Red-eyed vireos have declined by more than 60 percent, and not too far away is Rock Creek Park, another of the city's green islands. Its breeding birds have been studied since 1948, and once again the numbers tell a depressing story. Breeding populations of neotropical migrants have dropped 70 percent. Black and white hooded and Kentucky warblers are gone. Red-eyed vireos have declined by 84 percent."

What are we going to do?

Mr. HOFFMANN. The species that are most strongly affected are those that spend the winter in the tropical forests. So, the implication is that loss of tropical forests is one of the critical elements in this. That fits right in with our concerns for tropical forests and the research that is being done in Brazil and other parts of South America as well as Panama.

Mr. YATES. What's happening in Brazil? Are you making any progress down there?

Mr. LOVEJOY. I'm pleased to say just at the lunch break I met with the new secretary of science for Brazil, and he is very eager to advance a plan, with the blessing of the new president, to do an ecological zoning in the Brazilian amazon.

Mr. YATES. What are you going to do with the natives? Don't they have to have that to subsist?

Mr. LOVEJOY. You definitely need to work on alternative ways for them to make a living.

Mr. YATES. It's kind of like the growers of coca, isn't it, in the other countries?

Mr. LOVEJOY. It's true.

Mr. YATES. Okay, thank you, Mr. Hoffmann. I should say "Dr. Hoffmann," shouldn't I?

All right, now we get Dr. Siegle. Oh, I'm sorry, I thought you were finished.

Mr. HOFFMANN. I'm finished. Thank you for the opportunity.

Mr. YATES. That's what I thought. Sorry.

Mr. HOFFMANN. I was waiting for questions, should there be any.

Mr. YATES. If we have any, we'll put them in the record.

REPAIR AND RESTORATION OF BUILDINGS

Mr. SIEGLE. Mr. Chairman, just a few items concerning facilities.

Mr. YATES. What about your glass roof?

Mr. SIEGLE. Our roofs? I thought you might ask that question.

Mr. YATES. That's why I asked it.

Mr. SIEGLE. We have several projects, one of which is the Freer Gallery of Art skylighting system, and we have other projects at the Renwick Gallery, Cooper-Hewitt up in New York, the Air and Space Museum roof. We have several projects totaling $4 or $5 million dealing with roofs in various stages of design and construction. We have more.

Mr. YATES. Are you through with the Renwick? I see the scaffolds have come down.

Mr. SIEGLE. We have a roofing project on the flat part of the roof and on some of the slate shingles that will be going on this year. It's a $600,000 job.

Mr. YATES. Are you going to ever get through with Renwick?

Mr. SIEGLE. I hope so. This was a part of the building that wasn't worked on before.

Mr. YATES. Kind of like the Cathedral, isn't it? [Laughter.]

Mr. SIEGLE. I hope it won't take that long.

Mr. YATES. Based on the budget you're going to get, I think it may. [Laughter.]

Mr. SIEGLE. One project I thought you might be interested in is PCB transformers. You funded last year for the removal of those

transformers, and 37 of them have been removed. There are nine more to go at Natural History, two at NASM, and two at the Haupt Garden. They're on contract with Westinghouse to be removed prior to this October's deadline.

Mr. YATES. Is this budget adequate for your purposes?

Mr. SIEGLE. Yes, sir.

Mr. YATES. It is?

Mr. SIEGLE. It's about a $4 million job.

Mr. YATES. I mean, is the budget that you have adequate?

Mr. SIEGLE. Yes, sir, we're not asking for any more money. That's enough. We have enough money.

Mr. YATES. Okay, you don't have to worry about it?

Mr. SIEGLE. No, sir.

Mr. YATES. I don't have to worry about you?

Mr. SIEGLE. Right.

Mr. YATES. Are you the only one I don't have to worry about?

Mr. SIEGLE. I don't know, but it's a complicated process. We knew it was going to be complicated and we tried to get ahead of the power curve, and we were. I think people that didn't get started early, have a problem as the transformers aren't available.

On asbestos, you gave us $500,000 in this year's budget, and that's all obligated. We're coming in the budget that we have in front of you for a million dollars for 1991. That's a continuing problem for removal of asbestos throughout our buildings. We've spent about $5 million to date on asbestos removal in Smithsonian facilities.

And on the R&R program, John Jameson talked about that before, but we can provide your staff with whatever detail you want. We have it by building. We have priorities. We have it by subcategories, and so forth.

Mr. YATES. Your R&R doesn't apply to rehabilitation and relief?

Mr. SIEGLE. Repair and renovation of——

Mr. YATES. As opposed to the old service R&R?

Mr. SIEGLE. Right. But we have a lot of detail on each one of those projects, and so we'd be happy to show your staff any of those projects in the Washington area or elsewhere.

On the Freer project, we've completed now the construction of the link between the Sackler gallery and the Freer basement. It's not open to the public and won't be for a while.

Mr. YATES. When are you going to complete it?

Mr. SIEGLE. The concrete envelope has been poured now and is in place, and we're in the process——

Mr. YATES. What remains to be done?

Mr. SIEGLE. The finishing out of the space underneath the building. We're about 65 percent complete.

Mr. YATES. Will this be used by the public?

Mr. SIEGLE. Oh, yes. There will be a connecting link. You'll be able to go into the Freer, see the Freer, then go from the Freer into the Sackler and then over to African Art.

Mr. YATES. When will you be through with it?

Mr. SIEGLE. Well, we're going to be through with the construction in January, and then there's some gallery work to be done and the reinstallation of the exhibits.

Mr. YATES. All right.

Mr. SIEGLE. And on the major construction projects that we have contained in the budget, each of the bureau directors sponsoring, will be talking about justifications.

SECURITY

I didn't know if you were interested in hearing a short briefing on security, on where we stand this past year on thefts, vandalism, and that sort of thing.

Mr. YATES. Yes, I do. I do. Because you're losing your guards, I would assume that your thefts and vandalisms have gone up a little bit.

Mr. SIEGLE. Could you give us——

Mr. YATES. Bob, you'd better come up.

Mr. BURKE. Crimes against people have gone up. Crimes against the objects are about steady for the year.

Mr. YATES. Have you lost any pieces?

Mr. BURKE. Vandalism has been a strange type of vandalism this year, some occurring in the Sackler museum where vandals have gone in and scratched one word out of a title, the word "Chinese" for instance. We think they are Tibetans that have done this, political type vandalism. But a title would say——

Mr. BEACH. Identifying China with Tibet.

Mr. BURKE. And they have crossed out the "China" part.

Mr. YATES. Just leaving "East?"

Mr. BURKE. Just leaving "Tibet."

Mr. YATES. Oh, Tibet forever; right.

Mr. BURKE. We have a continuing budget deficit problem that is going to hit us in 1991 again at about $1.2 million.

Mr. YATES. Would you have trouble getting guards if you had the money?

Mr. BURKE. No, I don't have any trouble getting guards if I've got the money.

Mr. YATES. You used to have a big turnover.

Mr. BURKE. I still do, and I've been able to——

Mr. YATES. It's kind of a boring job, I think, isn't it?

Mr. BURKE. It is.

[Discussion off the record.]

Mr. YATES. How much money are you talking about there?

Mr. BURKE. I'm talking about $1.5 million if you want me to run summer hours.

Mr. YATES. Oh, boy, that's really getting into money.

Mr. BURKE. That is.

Mr. YATES. Yes.

Mr. BURKE. So if we're going to run summer hours next summer and fund the alarms maintenance, I'm talking about $1.5 million.

Mr. YATES. So you need guards?

Mr. BURKE. I do.

Mr. YATES. All right.

Mr. BURKE. Thank you, sir.

Mr. YATES. Thank you. If you have more guards, will they be able to protect China? [Laughter.]

Mr. BURKE. I will protect it myself if I have the guards.

Mr. YATES. Okay, all right. [Laughter.]

Thank you, Mr. Siegle.

MUSEUM OF NATURAL HISTORY MAJOR EXHIBIT HALL RENOVATION

All right, now we turn to the gentlemen who run the museums. Mr. Talbot, you're listed here as being No. 1. Is that because of your seniority?

Mr. TALBOT. I doubt it, sir. [Laughter.]

Mr. YATES. All right, if we go into this to the extent we should, nobody else is going to be heard.

Mr. TALBOT. I'll race.

Mr. YATES. You don't have to race, but I see you have major exhibit hall renovations, including a no-year appropriation. You have a move to MSC, an impact on master plan implementation, and global change research.

Okay, go ahead, Mr. Talbot.

[Slides shown.]

Mr. TALBOT. Can you see this?

Mr. YATES. Oh, yes, I can see it.

Mr. TALBOT. I just wanted to show you that what we're planning is to open about one renewed hall every year for the next 10 years. I'll just mention a couple of them.

We think it's extremely important to open or improve one of our Native American halls. We don't think it's reasonable to wait for the nine or so years before the Museum of the American Indian will open with its display when it's completed. So we're putting all our resources next year into completing one of the Native American halls.

We're also working on a hall——

Mr. YATES. Will you stop there for a moment?

Mr. TALBOT. Certainly.

HEYE COLLECTION

Mr. YATES. If it's going to take nine years, what happens to the collection during the nine-year period, the Heye collection?

Mr. ADAMS. We have elaborate plans, Mr. Chairman, that involve constructing an auxiliary building next to the research building, which is where most of the collection is stored in New York. We need some space in which to do the packing and the conserving before it can move down here. In the meantime, the building at the MSC is to be created as the first installation in Washington. So there would be a place to bring it in Washington before the museum on the Mall is even undertaken.

Mr. YATES. How long will it take you to do that?

Mr. ADAMS. Oh, it's probably—Richard Siegle, a two-year project?

Mr. SIEGLE. We expect to have the collection storage facility completed in 1993 if funding stays on schedule, fiscal 1993.

Mr. ADAMS. So there would be a place into which over a period of time to move the New York collection. In the meantime, we're expecting and hoping by 1992 to open the Custom House facility in New York in time for the Quincentenary to be celebrated there. So some part of the exhibit would be transferred to that site.

Mr. YATES. Okay, thank you.

Mr. TALBOT. The other hall that we're doing here is the hall on geology, gems, and minerals. This is really three halls. For the first time, I think we will be showing in North America really an effective method of explaining to youngsters how the plates have moved, how the continents have shifted, and we're hoping to have about a 20-foot globe in which we can perhaps dial back in time 10 million years and see how the globe is moving.

The suggestion has been made we could also ask the geologists how it's going to go in the future, and their response was we'll need at least two alternatives, because, as you know, scientists usually need alternatives, but we may do that, Mr. Chairman.

The next hall, which we've already started planning, is the global change hall. We feel it's extremely important that youngsters should hear about the kinds of things we've been learning this morning about loss of birds and change and shifts in species numbers, and to teach them about some of the ways, in fact, that they can respond and do better themselves. That hall is in the planning stage.

I won't, in fact, speak to those, except the Quincentenary exhibit down at the bottom—the series up at the top, the permanent halls, the yellow ones are the temporary exhibits which will be coming during that decade. The Quincentenary exhibit is one that we feel very strongly about. We think it's going to be a wonderful exhibit. We have funding for it, very small funding from you, sir, and from the committee, from Federal sources. We've gone out to get private funds, and we need about $2.4 million. We have raised $1.2 million. We're still trying to get the rest.

Mr. YATES. How much money—if I may break in—how much money are you raising through private sources every year?

Mr. ANDERSON. The number, gratefully, has been going up at a rate faster than our Federal appropriation or our business earnings.

Mr. YATES. How much do you get?

Mr. ANDERSON. Can you help me?

Mr. LOVEJOY. Twenty-one.

Mr. ANDERSON. Twenty-one million.

Mr. YATES. Twenty-one million every year? Is that in addition to your earnings from your shops?

Mr. ANDERSON. Yes, indeed.

Mr. YATES. And the magazine?

Mr. ANDERSON. Yes, indeed. Most of that is for specific projects like exhibitions, without which we would be dead in the water.

Mr. YATES. That's the trust fund.

Mr. ANDERSON. That's right.

Ms. LEVEN. It also includes endowment money, money that's earmarked for endowment.

Mr. YATES. I see.

Mr. TALBOT. Mr. Chairman, you will remember that when I came before you last year I said that we would raise $2.5 million a year, and I foreshadowed a request to you for $2.5 million and felt that if we had $5 million a year, we could in a decade change the whole of the Museum. We clearly are not going to derive that amount of

Federal funding, and we're just trying harder outside to see what we can do.

We did ask this year for $2.5 million. By the time it got through the system, it ended up $.8 of a million.

Mr. YATES. Okay.

Mr. TALBOT. Can we have the next slide [referring to the overhead projector]?

EAST COURT STAGING BUILDING AND MOVE TO MUSEUM SUPPORT CENTER

This is a complicated one, and I won't really try to explain it in detail except to say that it has to do with the material moving from the Natural History museum to the museum complex out at Suitland, the MSC, and also the construction of the small staging building in the East Court, all of which involve movement of materials.

For instance, we cannot do the renovation, the mechanical renovation which is coming along, without getting clear of material. Every space has to be emptied during the 10 years in which that crisis will occur.

We need to move material, and I'm afraid to say that we just don't have the staff at this stage to do so. We have that hatched line as an unfunded portion, which is essential if we're to get material clear of our attics, clean those and move material there to allow the mechanical renovation, the second line from the bottom.

We also need to put our new exhibition halls into that program, so we don't put up a new hall and then have to go through it with mechanical renovation. So, for us, it's critical. We need 45 staff to make the move. At present we have only nine.

This is just a simple picture of our building. The East Court is visible there. That's where we will be putting the staging building, so that we can shift material over. If we don't do that, we're told by an independent study that Mr. Siegle had done, we would have to close exhibit halls and put mezzanine floors in them to get that material out so that they can redo the heating and ventilation and asbestos removal.

LIBRARY OF SPECIMENS

I put this up to indicate the library of specimens that we have. Our library of specimens is accessed every year by 2 to 3 thousand scientists. Something like 447,000 specimens went out last year to scientists all over North America and some internationally.

The collection size is 120 million both with specimens and our archives, which are relatively small archives—the anthropological archives and film archive. Compared with the Library of Congress, which has 88 million volumes and 250,000 acquired annually, the average growth rate that we have per year over the last decade is a million specimens. We have a cataloguing staff of 106. The cataloguing staff of the Library of Congress is close to 700 staff members.

I think you heard this morning that we're just not getting our material, our collections information systems appropriately organized, and the numbers of cataloguers is the reason. We just don't

have enough staff to do that. That material, then, is not backed up by scientific data.

MUSEUM OF NATURAL HISTORY GLOBAL CHANGE RESEARCH

Just to give you some of the research projects that are underway—as you've heard, a number of rather sad things are happening. Frogs were not mentioned this morning, but one of our people who works with frogs in the Amazonian forests on the Atlantic side has said that the frogs, many species, are disappearing from that area, not because of human impact in the sense of acid rain, which causes the loss of frog species at their juvenile stages in North America and changes fish populations, but because we've left so many small pieces of forest, and those forests are down to something like 2 percent of their original size. The pieces are so small that if there's any environmental impact like a cold season and those frogs disappear or have a poor breeding season, we don't get replacement.

What we do in Natural History is really to help to define diversity by identifying species and finding out where they are, how many there are. To give you an indication of how clearly we do this, we have reached the stage now of, worldwide, only defining something like 1.5 million species. From our work and others done in the warm tropics, where, as was said by Dr. Lovejoy, more than 50 percent of all species on earth live, it looks as though we may have something like 10 million-plus, maybe even as high as 30 or 40 million species, and we're only about 1.5 into identifying them.

This work is fundamental to understanding diversity. You can understand some things easily, large species and big mammals, for instance, but if you want to go to small species, whether they're frogs or whether they're little brown birds, or whatever they are, certainly insects, you have to go to the expertise of a natural history museum.

We're doing a lot of work now in Amazonia. We have a number of programs going. One that enriched our efforts last year was the Biological Dynamics of Forest Fragments program which was started by Dr. Lovejoy some years ago, when he was with the World Wildlife Fund, and which is now being run by Natural History. We have a small request in to you. It was somewhat cut, but some of it's gotten through the process. It's very important to us. We still will be finding more than 50 percent of the funds for that good biological program outside the Federal budget.

We're doing work on global change in coastal oceans. One of the intriguing things—and I work on coral reefs, as you may know—one of the intriguing things is that we really thought the oceans were the clean areas of the globe and relatively free from impact. We're now finding that, particularly for instance in coral reefs, that most countries that have coral reefs now, have them endangered in some way.

There are many reasons for this. Often it is land runoff by the additional nutrients, which is what's happening in Florida, or it may be silt. We think it's extremely important to watch pristine coral reefs.

This small reef is being studied by a number of scientists. Between 30 and 40 scientists have worked and continue to work there. Again, we have a small request which is before you in this budget for work in that area.

The final one, global change in arctic ecosystems. Two years ago when this was put forward as an important national priority, we started work there. We received some Federal funding. That work continues. We've asked for a small addition this year, and that has gotten through the process.

What we're doing is looking not only at the impact of change now with current Native Americans there, but also we're looking back through time, through the Pleistocene, with archaeologists as to how those Native Americans coped with the tremendous changes during the ice ages. We think this is extremely important work. We do a great deal in the Southwest with a number of programs, and we bring many Native Americans to our archives where they work. But this is a strong and developing arctic program.

BASE SUPPORT FOR TAXONOMIC WORK

The last thing I'd just like to say, sir, is thank you for the support. I must, however, say that the base support for our taxonomic work, establishing biodiversity, has been slowly eroded over the past years. We're in difficulty. We used to use unspent salary funding for buying equipment and storage bottles and things of that kind, such as computers. This year with Gramm-Rudman and other cuts, we don't have this lapse funding any more. We're reaching a stage where we don't quite know how to cope.

One of the departments, the fish department, was calling the other day and saying that they're running out of bottles. It really is getting quite serious.

Thank you, sir.

Mr. YATES. All right, Thank you, Dr. Talbot.

Dr. Harwit?

NATIONAL AIR AND SPACE MUSEUM COLLECTIONS

Mr. HARWIT. Mr. Chairman, since the space telescope is going up next week, I thought your staff might be interested in this book that Robert Smith on our staff has done on the space telescope.

Mr. YATES. Does this put land telescopes out of business?

Mr. HARWIT. Not really, no, because you need a variety of different telescopes for different purposes.

Mr. YATES. What happened to Dr. Shapiro? Does he have to look for another job now? [Laughter.]

Mr. HARWIT. No, no, he's firmly in the saddle. He's going to be doing other things.

You may have seen this reviewed in——

Mr. YATES. He said he was studying to become an astronaut so he could look through the space telescope. [Laughter.]

Mr. HARWIT. You may have seen this reviewed in The New York Times. Leon Lederman, who used to be Director——

Mr. YATES. Leon Lederman's a good friend of ours. He's now teaching at the University of Chicago.

Mr. HARWIT. Right.

Mr. YATES. If I read this, will I enjoy it?

Mr. HARWIT. Yes. [Laughter.]

It talks about the congressional process. It talks about the interaction between engineers and scientists.

Mr. YATES. I can see it's a mystery story. [Laughter.]

Mr. HARWIT. I was going to say it's amusing.

Mr. YATES. Okay.

Mr. HARWIT. Mr. Chairman, as you know, the National Air and Space Museum was established by Congress to collect, preserve, and display airplanes, spacecraft, and aerospace equipment of historical importance——

Mr. YATES. Let me interrupt you, Dr. Harwit. I know you're in full flight, but——

[Laughter.]

Mr. YATES. Dr. Bob Adams this morning talked about the SR-71. Why don't we let the military take care of the military planes, let them have a military museum, so you don't have to worry about these military aricraft?

Mr. ADAMS. I wouldn't agree to that.

Mr. YATES. The Air Force has its own museum?

Mr. HARWIT. It does have its own museum.

Mr. YATES. Why don't you let them have the SR-71 and the——

Mr. HARWIT. Because there is a social impact that I think goes beyond just the military. People ought to know what airplanes have done to change the way that we live, the way that we travel, the way that we trade. As far as spacecraft are concerned, they ought to see what we've learned about the universe, what we've learned about the planet, what we've learned about other planets.

I think we have to weave this into the fabric of the 20th century and its history for people to see. It's not just a military affair; it's an affair that affects all of us.

Mr. ADAMS. It's a historical accident in a sense that the military has played such an extraordinary role in the development of aircraft.

Mr. YATES. It's also a historical accident that we're stuck with this deficit. I'm trying to find reasonable ways with which to deal with it. Now apparently you're telling me, which I knew, this is not a reasonable way.

Mr. ADAMS. I don't think it's a reasonable way. In the long run, we need a comprehensive collection that is not divided among——

Mr. YATES. Yes, but I have to worry about the short run, not the long run.

Mr. ADAMS. But you've got to give some thought, the Smithsonian has to give some thought to the long run, too. I would argue that it would be a tragic mistake to try to divide this collection by jurisdictions under late 20th century circumstances.

Mr. YATES. Why does the Air Force have its own museum then if you have a museum for these planes?

Mr. HARWIT. The Air Force has a museum in order to display Air Force airplanes. The Navy has a museum in which it would display its own airplanes. What I think the National Air and Space Museum does is to display the impact that aviation and space flight has had on our society. I think that's a quite different story.

In the case of the SR–71, it's true that it's the fastest flying and the highest flying airplane ever built. But, on the other hand, the very significant aspect of it is that its reconnaissance abilities, taken together with surveillance satellites, allowed us for the first time to be able to look worldwide and see any buildup of armaments before it became a real threat to this Nation. It thereby allowed us to conclude the INF treaty, which is really the first significant disarmament treaty of this century. This treaty is particularly important because it determines the fate and the disarmament of nuclear missiles. I think that it, historically, is such a profound event that it ought to be made available and understandable to the children in schools and to the population at large.

This is really a historical moment for us. Our museum is going to celebrate, not commemorate in this case, the INF treaty next month by bringing in a Soviet SS–20 missile, and setting it up next to a Pershing II in the milestones of flight in our museum. There will be a similar display in Moscow at a technical museum there. I think it will show people for the first time that here are two nations that can really construct a pact that seeks disarmament and makes all of our lives much safer.

Now the problem, as you know, as the Secretary said before, is that we have the Enola Gay which sat outdoors for 16 years and which we're now restoring at a cost of a million dollars, 20 man-years of labor.

The Boeing Corporation of Seattle has just undertaken the job to restore for the museum at no cost to us, but at a cost of $1.5 million to them, the prototype 707, the so-called 367–80, which was sitting outdoors for a decade as well.

The SR–71 has just been flown in, and it joins a superconstellation and C–130 sitting out at Dulles and decaying in the weather there. We really have to bring these things under cover because they are historically important. They are a story about perhaps the most telling technology of our times. It's really what is going to impress future generations several centuries from now about what we as a civilization were able to do, breaking loose the chains of gravity. It sounds a little bit melodramatic, but that's really what it is, being able to fly through the atmosphere and out into space. That's really one of the major events of this century, and I think we need to record it by preserving the artifacts.

FUNDING FOR NASM EXTENSION

Now the tragedy of all this is that the Smithsonian Institution in the 1991 budget had put in $6 million for detailed planning and design, and those were struck by OMB. I'm in a real quandary because we have completed a first stage of planning. The Institution's Regents have selected a site at Dulles. Governor Wilder of Virginia has committed himself to general support in the construction of at least the first phase, which will allow us to house all our planned accessions as well as current airplanes and spacecraft.

We're stuck because we're not able to get this amount of $6 million. If you were able——

Mr. YATES. This is the first time, I think, that you have the decision as to where you want to place them.

Mr. HARWIT. That's correct. Nevertheless, in order to——

Mr. YATES. What's the $6 million for?

Mr. HARWIT. That's for the detailed design and planning.

Mr. YATES. Isn't he going to pay for it, Governor Wilder?

Mr. HARWIT. No, he has committed himself to substantially helping.

Mr. YATES. I thought they were going to construct the facility?

Mr. HARWIT. No. They're going to do the infrastructure for us, the site improvements, and they're going to share the costs.

Mr. YATES. Won't Governor Schaefer do more than that?

Mr. HARWIT. No, he wouldn't do much more than that, either.

Mr. YATES. Where did I get the impression that they were going to build——

Mr. ADAMS. There was an earlier private offer to construct a building and provide it to the Smithsonian, which turned out to be a building not approaching Federal standards. There were many other problems that arose with that.

Mr. YATES. So now you don't have a building?

Mr. ADAMS. We do not have a building.

Mr. YATES. What do you have from Governor Wilder?

Mr. HARWIT. Governor Wilder has undertaken to provide all the site work, the infrastructure, which by itself could amount to about one quarter of the total Phase I construction. In addition to that, he has offered generous help toward the construction as well.

We're expecting a letter from——

Mr. YATES. How much money will the building cost, and how much money will Governor Wilder put up?

Mr. HARWIT. Well, the whole first phase of construction would be $162 million in 1993 dollars.

Mr. YATES. One hundred and sixty-two million for this addition to your——

Mr. HARWIT. That's correct, Mr. Chairman. These are very large airplanes and spacecraft. [Laughter.]

Mr. YATES. Any way you can shrink them? [Laughter.]

Mr. HARWIT. It's due to an unfortunate circumstance, but there's no way that you can preserve a large airplane by shrinking it. I wish I could and then reconstruct it in some fashion.

But, given that these are really some of the most important historical artifacts of our times, I think—it's like the Egyptian pyramids, you can't get them small.

Mr. YATES. Okay. How many planes go into this facility? You've got the Enola Gay going in, and you've got the SR–71 going in. Are you also going to put other spacecraft in?

Mr. HARWIT. We have a B–17 out there. We have the shuttle Enterprise at Dulles. At the moment we've built four walls around it because we couldn't afford a door, so it's immured up at Dulles there. We have a number of other airplanes stored with their wings taken off because we're not able to house them in a fashion that will allow us to display them. This is all very compact storage.

Mr. YATES. I read from the minutes, page 49, of the last Regent's meeting. "The Regents expressed several concerns about the Dulles proposal. For instance, it would be incumbent on the Secretary to get a commitment from Governor Wilder on the ratio of State funds matched to Federal appropriations." Do we have that?

Mr. ADAMS. We have a tentative letter that I'm not at liberty to discuss, Mr. Chairman.

Mr. YATES. Then you have no commitment from Governor Wilder?

Mr. ADAMS. We have a tentative commitment, but it's a commitment that is, I think, subject to further negotiation upward, frankly, in the political process that will go on from here. This is a complicated matter.

Mr. YATES. Tell the committee—I'm not asking you to reveal what the exact amount, but can you tell us what, approximately how much of the $162 million Virginia will pay?

Mr. HARWIT. I think in terms of infrastructure cost to us that they would undertake plus some additional funding, I think it's not giving away any secrets to say that it would be somewhere between one quarter and one third of the total. So it's a really significant——

Mr. YATES. It's not very significant when you think of all your other needs really. We're moving ahead, but look at all the people who are here today and telling me about all the money that they need. Governor Wilder isn't coming up with very much. All this time, all these years of discussions, perhaps naively, I had the impression that the only thing that this Committee had to worry about was the question of upkeep; that we had nothing to do with the——

Mr. HARWIT. Mr. Chairman, I think this is the most that any State has ever volunteered in the support of the Smithsonian. I think that's accurate to say that it's the most generous offer that any State has ever made us.

Mr. YATES. So they will put up what, roughly $40 million?

Mr. HARWIT. It's probably upward of that. It's not been totally determined, and Governor Wilder is sending us a letter which we ought to be receiving in a couple of days, I think. We talked to him last Friday.

FUTURE CONSTRUCTION AND OPERATING BUDGETS

Mr. YATES. What is your total construction budget? If this is $162 million, what's the total of everything?

Mr. ANDERSON. We have a 10-year runout.

Mr. YATES. I don't care about your 10-year; what do we have to worry about immediately?

Mr. ANDERSON. The request before you is for $16,200,000.

Mr. YATES. In the 10-years, what will it be?

Mr. ANDERSON. As Nancy Suttenfield said earlier, it averages out to about $50 million a year over the 10-year period.

Mr. YATES. What are all the people like Roger Kennedy and the other museum directors going to do for money?

Mr. ANDERSON. There are physical facilities that accommodate the programs of many of the museum directors who are sitting around the room figured into that 10-year program.

Mr. HARWIT. Mr. Chairman, we thought long and hard about what we were likely to be collecting over the next 10 years. I asked our aeronautics department to do a study which took them a year

to do, and they came up with a collection of airplanes for the next 40 years that would comprise approximately 72 aircraft.

Mr. YATES. What's your total budget in 10 years? It's half a billion for construction. What is it for your operations?

Mr. ANDERSON. I don't know that we have a similar 10-year projection.

Mr. YATES. You have it for five years.

Mr. ANDERSON. We have it for five.

Mr. YATES. Which is about a half a billion dollars, $426 million, I think, as I remember.

Mr. ADAMS. For the fifth year.

Mr. YATES. And it's going up the same way?

Mr. ANDERSON. That's the nature of museums—to increase their holdings.

Mr. YATES. Particularly if your construction account goes up; right?

Mr. ANDERSON. Yes, sir.

Mr. YATES. So, what do you estimate your total Smithsonian budget will be 10 years from now? If it's a half a billion dollars in construction, what's it likely to be——

Mr. ANDERSON. In the aggregate, if one were to add up each year from now—

Mr. YATES. Excluding construction, how much will it cost for your other activities?

Mr. ANDERSON. Well, I'm doing some very quick mental arithmetic. If 500 is about the midpoint, 5 times 10 would be $5 billion.

Mr. YATES. Five billion in 10 years?

Mr. ANDERSON. Well, if one says five years from now our total appropriation for operating costs is close to half a billion, and if one assumes about an equal curve in the remaining five years, that would be about the median point. If you multiply 10 times the——

Mr. YATES. Why don't you put that in the record?

[The information follows:]

OPERATING BUDGET BY THE YEAR 2000

By the turn of the century, the Smithsonian estimates that its operating budget will approximate one billion dollars. The Smithsonian's international character and multicultural programs should begin to flourish over the time span. The Institution must also keep abreast of inflationary pressures. Programs for the National Museum of the American Indian should be firmly established and in full operation. Resources for further involvement in global research, for supporting new collections storage and management operations, and for fulfilling operational support and public education responsibilities will also need to expand. The Institution's trust receipts and allocations should grow modestly, if the general economy does not suffer any major and permanent downturn.

FUTURE COLLECTIONS OF NASM

Mr. YATES. We know now what your construction budget is going to be, don't we? In 10 years your construction budget is going to be—what is it?

Mr. HARWIT. Sir, I think it's about 10 percent of the operating cost over time.

Mr. ADAMS. It has been said in the Regents' meeting that the Regents expect to see the Smithsonian annual budget to be at the billion dollar level before the end of the decade.

Mr. YATES. What did we say the construction amount was? Half a billion?

Mr. HARWIT. Over 10 years. It's about 10 percent of the annual operating expenses in each year.

Mr. ANDERSON. And the number that I quoted, of course, is a cumulative number.

Mr. YATES. Okay. Dr. Harwit, I interrupted you again. I'm sorry, but you shocked me.

Mr. HARWIT. Well, I'm sorry I shocked you. The alternative before us is to simply call it quits and to say that the history of aviation and space flight is over, but the problem really is that the major impact that we're seeing now——

Mr. YATES. Even if space flight is over, the problem of the Smithsonian is novel; you've got to collect.

Mr. HARWIT. We only collect if there's more construction, but I think the airplanes that have had the major impact on society in recent years are the very large ones. This is really where the problem comes in.

Mr. YATES. It is when you travel in them, too. [Laughter.]

Mr. HARWIT. But if we don't continue collecting, I think we will simply say that what we have in the museum right now represents, let's say, the first two-thirds of the 20th century, and that there was no history further than that that was worth recording.

Mr. YATES. All right. Thank you, Dr. Harwit.

SMITHSONIAN INSTITUTION TRAVELING EXHIBITION SERVICE

Anna Cohn? Where are you, Anna?

Ms. COHN. Here.

Mr. YATES. Do you have a budget like Dr. Harwit?

Ms. COHN. We have a budget in no way, shape, or form like Dr. Harwit's, but then our airplanes aren't as large.

Mr. YATES. All right. You want $1.4 million? According to what Dr. Adams told me, you want another $1.4 million? Will that take care of all your needs?

Ms. COHN. No, it will not take care of all our needs, but it will do for us one critical thing, which is to establish for the first time an operating base for SITES.

Mr. YATES. Do you still have to go out and collect money?

Ms. COHN. Yes, a significant amount of money.

Mr. YATES. What will your total budget be?

Ms. COHN. Our budget right now is approximately $3.8 million.

Mr. YATES. Well, then, he's not doing you very much of a favor if he gives you $1.4 million, is he?

Ms. COHN. Well, we were very careful and certainly conservative when we charted out SITES' total budget needs against what we felt reasonably was SITES' ability to raise money on the outside, because of its national profile.

Our deepest need—it was our deepest need last year and it remains a deep and abiding need—is for operating funds. Because we're a break-even unit of the Smithsonian, we must pass on to exhibitors, to the institutions and people that take the exhibitions that we send out not only the direct costs of producing those exhi-

bitions, but the myriad indirect costs through which SITES survives.

FUND-RASING

Mr. YATES. Let me break in and ask a question that occurs to me. It seems that every one of your institutions goes out and tries to raise money. Does it do it for itself or does it do it for the group?

For example, I remember that with respect to acquisitions money for your museums, you take turns. You put in a certain amount of money and you tell the museum that museum can have so much money, and if it wants it all this year, then next year it doesn't get any. Is that your system?

He shakes his head no and you shake your head yes. Is there a halfway point? [Laughter.]

Mr. ANDERSON. It's both.

Mr. YATES. It's both? Well, what is your system? The reason I'm asking that question is: Why don't you do what the waiters in the restaurant do—accumulate all your money and parcel it out later on?

Mr. ANDERSON. I don't follow the analysis.

Mr. YATES. For those that need that. Well, all right, strike the analogy, but why don't you collect in one central pool for all your needs instead of letting each museum collect for its needs? Some of your museums are more popular than others. They're going to get more money, aren't they?

Mr. ADAMS. But the result of what you say is that we need to do both; we need to collect centrally for those who cannot collect themselves, and for those who have great contacts, they need to be out doing their thing.

Mr. YATES. I agree, you've got to do it for both.

Mr. ADAMS. So it's like we have both kinds of operations underway.

Mr. YATES. But you don't do that, do you?

Mr. ADAMS. No, no, we have both kinds of operations underway. We have an Office of Membership and Development which is, indeed, responsible for central collecting, and we have fund-rasing activities in many, if not all, of the bureaus, which are also carrying on activities for support of the programs in those particular bureaus.

Mr. YATES. Competing with each other?

Mr. ADAMS. Well, it turns out not competing with each other. To some degree, they do encounter one another at the margins, but there are often specialized givers who have interest in an area of American art, let's say, or some part of natural history, and that becomes a special constituency.

Mr. YATES. But, ordinarily you don't have people who are willing to give endowments for SITES, do you?

Mr. ADAMS. We do not.

Mr. YATES. No, like those who do for gems or those who do for some others.

Mr. ADAMS. That's right. So, this becomes a central responsibility.

SITES' FUNDING REQUIREMENTS

Mr. YATES. You need $3 million. How much money do you need to operate?

Ms. COHN. We have an operation that now is costing $3.8 million. Of that, we are requesting from you $1.4 million. This is, in a sense, the end of the line for us. We are servicing 11 million people across the Nation, in museums, in community centers, in libraries, in industrial plants, in zoos, in aquaria, municipal buildings, university galleries, secondary schools. Reaching those people at $3.8 million means we are costing as an operation around 35 cents for every man, woman, and child who participates in our programs, and our mandate is very clear: we are responsible for distributing the Smithsonian to Smithsonian audiences beyond the Capital Beltway.

Sixty percent of our total program services come directly from Smithsonian exhibitions created by the museums on the mall. Thirty-five percent of the remaining 40 percent respond in very concrete ways to what we understand are fundamental institutional priorities; that is, exhibitions oriented to audiences that previously never have benefited from the Smithsonian's presence either in Washington or beyond the beltway; exhibitions for and about diverse groups in America; exhibitions involving treatments of the African-American experience, the Native American experience, the Hispanic experience; and exhibitions that respond to critical public issues including the impact of the fragile environment, of global change, the weight of homelessness, geographic illiteracy, and a number of other key areas that are either subjects of Smithsonian research or have been endorsed at the highest level as being key areas of concern to the Smithsonian Institution.

Mr. YATES. Okay, you've made your point; you're very important. How much money do you need?

Ms. COHN. We need what we're asking for. We need $1.4 million.

Mr. YATES. Can you get by with that?

Ms. COHN. With $1.4 million, we can set up an operating budget which will reduce our participation fees. We believe that we can raise the rest. We certainly always have.

Mr. YATES. Yes, but you've got to work hard to raise the rest.

Ms. COHN. We have to work hard, but everybody has to work hard. We receive from rental fees now——

Mr. YATES. Is this $1.4 million above your present budget?

Ms. COHN. Yes, it is.

Mr. YATES. What will that total be?

Ms. COHN. All tolled, it would be $2,200,000, given the present monies that we receive from the Federal Government.

Mr. YATES. Where is your new catalog? I haven't seen it. Do you have a new catalog?

Ms. COHN. Our new catalog is at press even as we speak.

Mr. YATES. I guess I sensed it. Send me a copy when it's off the press. Thank you.

UNFULFILLED NATIONAL RESPONSIBILITIES

All right, Roger Kennedy? We've been waiting. I don't know what those bells mean. I may have to leave to vote, but go ahead.

Roger, I know you've got problems at the American History Museum. Do you get all the money you need?

Mr. KENNEDY. No. Could I just refer to the last witness for a moment?

Mr. YATES. Well, it depends on how you do it. [Laughter.]

Mr. KENNEDY. Well, positively, I think. SITES is in the middle of completing a successful transition, really much of it at your behest and the behest of the Congress, from serving a few rich institutions in large cities to serving a lot of other people out there that can't pay the fees. Unless SITES gets the kind of support they're asking you for, that will have been a suicide course.

I was moved by my brother Talbot's testimony as he enters the process of a 10-year process, which we entered nearly 10 years ago, at the first time that you and I talked to each other across the table. Rather than just referring to our specific needs, though I'll get to a couple of those, I'd like to just reflect for five and a half minutes on that experience of 10 years.

The sorry fact is that consistently and increasingly we've been frustrated in our common purpose. The things that are uniquely possible to this great and flexible instrument for public education are not being accomplished as you and we have intended. That's because the budgetary process as it works out in practical terms has left the Smithsonian gasping along unable to serve either the audiences of today or to collect and preserve our heritage for tomorrow.

You've wanted the Smithsonian to lead the Nation in expanding the diversity of the workforce to reach audiences previously denied, to recognize aspects of our history, our art, and our science about which the American people have the right to know, but don't know enough.

The enemy is chiselment. [Laughter.]

It's chiselment. It's not bad people, but it's a pernicious process of attrition, indifference, and disparagement. That's chiselment.

I don't mean a deliberate sabotage of our patriotic purposes, though our purposes are essentially patriotic. I mean the intricate and subtle process by which our best intentions have been denied in accommodation to the misperception that this generation is unable or unwilling to pay the price of civilization.

We act as if we wish to protect our national heritage and sustain our national continuities only if it can be done on the "cheap." We're patriotic only if it's convenient. We want to leave a legacy for our children, but only if it doesn't cost new taxes.

The budgetary process as it's currently constrained is a shameful abdication of the obligations of this generation to the next. We're acting as if we believe our fellow citizens care little about their history, about their art, about the life-giving sciences, about their libraries, as if they care nothing about anything else except their tax bill. I don't think that's true.

Chiselment is leaving to our children a deteriorated plant, a trust unfulfilled, and a big bill to pay. Chiselment has its favorite slogan: "get it somewhere else."

Mr. Chairman, we have run out of "somewhere else." When we don't have enough guards to keep our national collection safe, we keep the galleries open, but we fail to protect our staff from injury

in corridors so loaded with material that they are unsafe, and we get injuries.

We quietly squeeze out programs in the Spanish language.

We're commanded to pay our existing staffs necessary pay, and the money goes from the fund by which we would have hired new minority people. "Somewhere else" has disappeared. When the RIFS come, it will be last in, first out, and the color of those who go will not be white.

The tragedy is that this is an institution in transition to something broader in its comprehension to the people who comprise the American experience and to the people who should be working to present that comprehension. We've built some new exhibitions, largely with private money, one involving $11 million opening in three weeks, but we can't maintain them or extend the research or other spinoffs to wider audiences. We can store collections, but we can't organize the information about those collections for wider accessibility through technologies now available.

We talked about collections management. There are just 700,000 items currently uncatalogued in our museum alone. Those items arise because we're discovering that the American history includes more Americans and more stories, and, by God, we ought to be collecting for them.

We can develop educational material on a particular theme for a limited availability here, but we can't get them out to the schools. Chiselment—the aggregate of forces cutting back the growth, pruning away the buds of change, permits the survival of the inertial, the necessary payment to the past, but not the new, not the new findings, not the new staff, not the new audiences.

Lest somebody contend that we fail to try hard enough to raise private money—we've had a little talk about public tasks, we do raise private money to do public tasks. We reply that we've done pretty well at that. We don't roll over; we keep trying.

We're grateful that the Sears Roebuck Company cleaned and preserved the Star Spangled Banner. We're grateful to a Japanese foundation for paying for educating the American people about their constitutional history. We're grateful to Norfolk-Southern for seeing that our railway collection didn't disappear into rust; to a syndicate of computer information companies for permitting us honestly to tell of the information revolution that's transforming our lives; to the American Chemical Society for paying for our treatment of the history of science, as our Federal exhibition funds have dried up.

But is this the way we want it? Should every dollar spent for exhibitions on controversial subjects in the National History Museum be paid for by corporations? Should every object brought into our collection have to pass the inspection of a corporate donor? Should only rich Americans determine the history presented to all the people? Should the National History Museum publish nothing except what it can sell a corporate donor? Is this healthy?

I don't think it is. I think at least half the exhibition, acquisition, and publication money of the National Museum should be national. Mr. Chairman, I must tell you that after chiselment has done its work, those public proportions in those categories in our museum

are 10 percent public, 0 percent public, and 10 percent public, respectively and respectfully.

Mr. Chairman, I think this is extremely unhealthy. It's wrong. It will take money. I want to speak not as a manager, but as a citizen, speaking not for my museum, nor, goodness knows, for the Smithsonian.

As a citizen, I protest the opportunities lost now, the careers aborted now, the understanding denied our children now—these are absolutely irrecoverable. I protest that as the system now operates, the price of simple maintenance is being passed along to our progeny. We're transmitting a tired, old plant to our descendants, presenting them the bill for our unwillingness to ask for tax dollars to protect our national legacy. We are betraying our contemporaries and our posterity as well.

Mr. Chairman, we've been talking with each other for 10 years. I want to ask, not you, of course, but the other members of this Committee if they happen to read this record, What is so special about this generation that we're unable to pay the bills? What makes it right that we mark those bills "payable only by my son, my daughter, or my grandchild?"

We as managers and we through the Congress and we as citizens can do better than that. I thank you for permitting us to present the case for the revival of the Smithsonian Institution.

CLOSING REMARKS

Mr. YATES. I have two minutes to go to vote now. That was quite a speech, a good speech, and perfectly appropriate.

[Applause.]

I still have got only two minutes to go vote, less than that now, but it's going to be, I think, another half hour. I hate to hold you people up. I think we're going to let you go. I hate to do this to the other managers, but I think we'll need to have you back on another day. Maybe that's the thing to do rather than keeping you here until six or seven o'clock. I think you'd better go and then we'll let you know how we'll do it. If the directors who couldn't testify would submit their concerns, the Committee would appreciate it. Thank you very much.

[Questions and answers for the record follow. Issue papers from the Directors who could not testify can be found on page 1256 of this volume.]

ADDITIONAL COMMITTEE QUESTIONS

National Museum of the American Indian

Question 1: Included in the budget request are the following amounts for the National Museum of the American Indian: $11,618,000 for salaries and expenses, an increase of $7,587,000 (p. 128); and $8,130,000 for construction (p. 287). The operations request will add 118 FTE's, for a total of 179.

The target date for the transfer of control of the Heye Collection and the MAI staff and facilities to the Smithsonian was February 4, 1990.

Has the transfer occurred? If not, what is the reason for the delay?

Answer: The transfer has not yet occurred for the following reasons: the need to audit the books of the Heye Foundation in order to clarify account balances and other assets for transfer; the need to provide assurance to the New York Supreme Court that any liabilities of the Heye Foundation which might come forward following transfer would be met by appropriate resources available from the transfer; and the N.Y. Attorney General's interest in further clarification of the allocation of space in the Custom House to be occupied by the Museum. These issues have now been resolved and transfer is expected at any time.

Question 2: Has this had an impact on the funding available to the Smithsonian in FY 1990?

Answer: Expenditures in FY 1990 are largely attributable to project planning which is not dependant on receipt of title to the collection objects. The Institution will use the salary funds that have lapsed due to the delay of the transfer for such items as emergency repairs at the New York facility; audit of the Heye Foundation; legal fees associated with the transfer; and to initiate design of the annex at the facility in the Bronx.

Question 3: What are the actual obligations incurred through March 31?

Answer: Obligations and commitments through March 31, 1990 totalled $543,000.

Question 4: What are your current estimates of actual expenditures likely to be incurred in FY 1990, and how do they compare to the amounts available?

Answer: We expect to obligate the full amount provided by the Congress for FY 1990.

Question 5: Is it possible that the delay will have an impact on the funds requested for FY 1991?

Answer: The delay in receipt of title to the collection makes more urgent the monies requested in FY 1991 for preparing the move of collection objects. The delay will have no adverse impact on any of the other programs and activities that the Institution plans to initiate in FY 1991, since all necessary predecessor

activities in FY 1990 have been proceeding despite lack of culmination of the transfer.

Question 6: The estimated cost of constructing the three facilities to be part of the NMAI is $175 million ($106 million for the museum on the Mall, with $35 million to be provided by fundraising; $44 million for a new building at the Museum Support Center; and $25 million for renovating the Custom House in New York City, with the City and State of New York each to provide one-third, or up to $8 million each.

Have any of these estimates been revised to date? Do you expect any significant changes in these amounts?

Answer: The earlier budget estimate of $175 million for planning, design, construction and equipping of the NMAI facilities will be refined along with development of a program of requirements and design concepts. A more detailed construction estimate for the Custom House is expected in July 1990. Suitland building cost estimates will be updated late next Spring, along with estimates for equipping. Mall building cost estimates will be available in late 1991. At the present time, it is not possible to predict whether there may be significant changes from the amounts in the preliminary estimates.

NMAI Fund-raising office

Question 7: A January 12 reprogramming request asked for approval to use $150,000 of NMAI funds to contract for assistance in developing a fundraising plan, ard to hire two positions for the national fundraising campaign staff, an administrative officer and a secretary. The 1991 budget request includes $670,000 and 11 additional workyears for the fundraising office.

What is the expected cost of the fundraising plan?

Answer: The expected cost of developing the fund raising plan for securing one-third of the construction cost of the Mall facility of the National Museum of the American Indian is expected not to exceed $127,500.

Question 8: Has the contract already been entered into?

Answer: Now that approval has been received to reprogram FY 1990 funds to assist with fund raising and related expenses, the Institution will apply these Federal funds for the development of the fund raising plan by a contractor it approached for its expertise on similar projects.

Question 9: When do you expect to receive the results?

Answer: The fund raising planning process is expected to be completed by mid-Summer 1990.

Question 10: Is it correct to assume that based on the reprogramming request and the 1991 budget request, all costs related to the fundraising effort will be

Federal costs? Why shouldn't an appropriate portion of these costs be provided through the fundraising effort itself?

Answer: It is anticipated that costs related to the fund raising effort will be met through a partnership and combination of Federal and non-Federal (Trust) funds. Fund raising costs are currently estimated to be 15 percent of the fund raising goal. The fund raising goal will be one-third of the construction cost of the NMAI Mall facility. At the present time, the estimated total cost of that facility is $106 million, one-third of which equals $35.3 million. Based on these preliminary estimates, 15 percent of $35.3 million is $5,295,000; this amount will be expended over five fiscal years, including and beginning with FY 1991.

Question 11: What positions are proposed to be added to this office with the 1991 budget request? Provide a breakdown for the record.

Answer: The types of staff which will be hired to undertake the fund raising effort include a National Campaign Director, several development officers, a special events coordinator, a membership director and secretarial support. The specific positions will be determined upon completion of the fund raising planning process. Note is made that many Trust-funded employees of the Institution will be working closely with and in support of the core National Campaign staff for the duration of the fund raising drive.

Question 12: What exactly is involved in "research and cultivation of prospective donors" for which $16?,000 is requested?

Answer: The "research and cultivation of prospective donors", is a "homework" process which used by all non-profit organizations which seek external funding. Prospect research employs a wide range of sophisticated investigative techniques to inform an organization about how to move individuals from a status of being a "suspect" to a "prospect" to an active donor. Cultivation activities revolve around a planned series of efforts to provide prospective donors with accurate and up-to-date information on the organization's needs for support.

In the case of the NMAI, "research and cultivation of prospective donors" will involve the following types of activities:

a. Identification of wealthy individuals who have an interest in Native American arts, culture and issues and who can be "developed" into prospective donors to the new Museum. This identification process includes using computer-based and hard copy publicly-available research sources such as:

- society page and business section news articles from major metropolitan newspapers and national magazines
- Dun & Bradstreet and Standard & Poors indexes
- tax returns of private foundations
- computer data bases containing stock-trading information and real estate holdings
- corporate and foundation board memberships
- annual reports of donors to other non-profit organizations

In addition to written/computer-based information, much of this identification process takes place through oral referrals.

b. Developing introductions to these individuals in order to initiate their interest in supporting the National Museum of the American Indian.

c. Expanding the interest of these individuals in the new Museum through cultivation activities such as special events, mailings, and one-on-one meetings in order to provide the prospective donor with comprehensive information on the needs of the new Museum and to indicate the impact a major gift would have on meeting those needs.

d. Determining the level of support which can be anticipated from the prospective donor and then asking for it are the results of the "research and cultivation" process.

Question 13: How much of the request is for consultant expenses, and how specifically do you expect to use these funds?

Answer: The reference to "consultant expenses" in the explanation of Program Increase section for this request should have read "contractual services." It is anticipated that a modest level of contractual services will be sought for activities such as graphics, layout and design for publications and a few specialized cultivation activities.

Question 14: The new Board of Trustees was appointed at the January Board of Regents meeting.

What activities has the Board been involved in to date?

Answer: The Board of Trustees, who are planning their fourth meeting on June 4, 1990, have to date done the following: drafted by-laws, created committees to oversee staff activities, reviewed and approved space plans for the Museum's future New York facility in the Old U.S. Custom House and considered topics for the opening exhibition to be held there in mid-1992.

Question 15: Are any changes to current plans, for facilities or programs, expected as a result of the new Board's activities?

Answer: As a result of the Board's review of early Custom House plans, the Smithsonian has revised the blueprint for the Custom House to include, within the same overall space total, different suites of space within the building, subject to final approval by GSA.

Question 16: As noted, the requested increase for salaries and expenses funds is $6,536,000 and 93 workyears.

Explain how the amount of $1,051,000 for necessary pay costs for existing staff was determined?

Answer: There are four components included in the FY 1991 necessary pay costs for the National Museum of the American Indian; annualization of the partial-year costs provided in the FY 1990 appropriation for new FY 1990 positions ($968,000); annualization of the January 1990 pay raise ($28,000); partial-year (one-half of three quarters) funding of the anticipated January 1991 pay raise

($42,000); and funding to cover the additional costs associated with an increase in the number of workdays in FY 1991 ($13,000).

Question 17: How many staff will be transferred to the Smithsonian when the transfer is completed? Provide a breakdown for the record.

Answer: Currently, a total of 36 full-time positions and six part time positions will be transferred from the Museum of the American Indian to the Federal payroll. An additional four full-time positions and two part-time positions will be transferred from the Museum of the American Indian/Huntington Library to the Federal payroll and five full-time positions will become Smithsonian Institution Trust-funded employees of Smithsonian Institution Museum Shops.

Question 18: What kind of analysis of the staff to be transferred has been done to determine if some of the requirements for which new staff is requested could be met with existing staff?

Answer: Detailed analysis of job assignments and personal credentials have resulted in position descriptions and grade classifications for all staff. This review indicates clearly that the Museum was and still is grossly understaffed in all areas of activity. Therefore, the personnel requirements included in the FY 1991 request would only begin to round out minimum staffing needs for this Museum.

Additional Central Administration

Question 19: Included in the request is $186,000 and 3 workyears for additional central administration, including a procurement specialist, a property management specialist, and a program manager in the Office of the Assistant Secretary for Museums.

Why are these positions and funding requested in this budget rather than in the Administration and Assistant Secretary's budgets?

Answer: The FY 1991 budget request presents both the direct program funding and the related program support costs in the National Museum of the American Indian line-item. Use of this presentation highlights the total budgetary impact of the new Museum and is consistent with the material on the initial operating costs of the Museum submitted to OMB and Congress last year. Following receipt of the FY 1991 appropriation, funding for the positions requested for the Office of Procurement and Property Management and the Office of the Assistant Secretary for Museums will be transferred to the appropriate line-items.

Question 20: What was the basis for determining that these two new administrative positions were needed in FY 1991? Why can't the current level of activity of the new museum be handled by existing personnel?

Answer: Following the receipt of the FY 1990 appropriation, the Institution conducted a reexamination of the projected FY 1991 budget requirements for the National Museum of the American Indian. The need for additional staff for the Office of Procurement and Property Management as part of the central

administrative support for the Museum was identified in the review of facilities and administrative costs conducted by the Director of Facilities Services. Although existing staff of the Office of Procurement and Property Management can handle temporary increases in workload associated with short-term increases in programmatic activities, additional staff is essential to handle the long-term expanded level of contracting activity involved in developing a totally new activity, such as a major new museum. Moreover, because of the need for the Smithsonian to develop three separate facilities for the Museum, with locations in both Washington, D.C., and New York City, the Office of Procurement and Property Management will experience a greatly expanded workload for contracting activities for architectural, engineering and construction contracts for these facilities.

Question 21 & 22: How many program managers are there currently in the Office of the Assistant Secretary for Museums? What are the responsibilities of these program managers? Does each one have a single museum assigned to him or her?

Answer: There are currently three program managers in the Office of the Assistant Secretary for Museums. The two funded from Federal appropriations each have liaison responsibilities for about 10 units and each takes on additional specific project responsibilities. One of these program officers is currently assigned as liaison officer to the current MAI New York staff, but cannot pay appropriate attention due to the load of other responsibilities. The third program manager is temporary and funded from Trust monies. She runs, on behalf of this office, recruitment for heads of bureaus, currently including the search for the director of the Museum of the American Indian. Her temporary appointment will end at the end of FY 1990. There is a Deputy Assistant Secretary who currently works on the planning for the Museum of the American Indian about 30-40 percent of her time to the detriment of her other responsibilities. In aggregate, this Office is currently allocating one person year on NMAI issues. Because of the size of the project and the need for the current staff to resume their other responsibilities, the Office of the Assistant Secretary for Museums requires the addition of this new position to work with the new NMAI staff, the New York Custom House installation, the Audubon Terrace staff and the various planning units in Washington.

Care and Custody of Collections

Question 23: The request includes $1,132,000 and 7 workyears for care and custody of collections.

When is the move of the collections from New York actually planned to begin?

Answer: The initial planning for the move has just begun. The current assumption is that the collections will not begin to relocate to Suitland, Maryland, until the building that will be constructed to house them has been completed and the storage equipment has been procured and installed. The projected schedule for the completion of the building is 1993. Storage equipment would need to be procured in 1993 and installed in 1994. The move could then begin in 1995.

Question 24: What is the timetable you have established for preparing for the move, and how does this request specifically address the components of that timetable which are required in FY 1991?

Answer: The Heye Foundation collections number approximately one million objects. A preliminary estimate of the time required for relocating these objects to the storage building in Suitland, Maryland, and to the exhibit building on the Mall in Washington, D. C. is ten years, i. e., 1995-2005. The time required for the move is dependent upon many other factors. Some examples of these other factors are: (1) the amount of space available in New York for storage of move supplies, for cleaning and packing the objects, and for staging collections prior to loading them on trucks; (2) the conflicting need for access to the objects by exhibit designers, researchers, native Americans, and by the move team; (3) the method of visual imaging and time required to accomplish this imaging of the objects and at what point in the time during the move that this imaging is done; and (4) the number of people and other resources available to the move at any given time. Many of the decisions necessary to determine the impact of the above-mentioned factors as well as many others on the move of the collections will not be made in final until the new Director of the National Museum of American Indian is on board. Scheduling for the interviews of the final candidates for this position is in process.

Currently, the entire collection management/registration/inventory staff at the Museum of the American Indian, Heye Foundation, totals only four full-time positions and one part-time position. Ten more collection management/ registration/inventory positions are being added this year as new Smithsonian/NMAI positions approved in the FY 1990 appropriation. Although these ten positions will make a large difference in the staff needed to plan the complex move and accomplish the extensive preliminary preparation necessary before the move can occur, they will not be sufficient to accomplish this task without additional assistance. The FY 1991 request will allow the Smithsonian to hire seven additional positions to support the collection management responsibilities for the existing collection and to prepare for the move.

A review of the needs of the objects must be determined long in advance of the move in order to decide, for example, the following issues: (1) which objects require special conservation treatment before they can be moved; (2) how many and what types of move supplies are needed to accomplish the move so that these supplies can be identified, manufacturers found that produce them, the best prices identified, and procurement can begin; (3) the current automated data base needs to be evaluated to determine if it can be modified to serve as a move data base; (4) the data necessary to track the move of objects to ensure that their whereabouts are always known must be entered into the data base; (5) staff is necessary to pull objects from the storage areas and then return them to these areas for any visual imaging required prior to the move to Suitland, Maryland; and (6) the dimensions of the objects and their permanent storage configurations need to be individually evaluated so that the sizes and numbers of storage equipment required for both temporary storage equipment for the move staging areas as well as for the Suitland Building can be determined. There are many other issues that must be addressed during this time period before the actual move of collections can begin.

Question 25: Which positions will be added, and what are the related costs? How many of these will be permanent positions?

Answer: Seven new positions for care and custody of the collections are requested for FY 1991 -- a conservator (1 workyear and $47,000), two museum technicians (2 workyears and $52,000), a computer specialist (1 workyear and $55,000), an administrative technician (1 workyear and $24,000), a clerk-typist/secretary (1 workyear and $21,000), and a laborer (1 workyear and $26,000). All 7 positions will be full-time permanent positions.

Question 26: Will these operating funds be used to construct the annex to the building in the Bronx? If so, why? Will this be a permanent facility? What will happen to it after the move?

Answer: The FY 1991 request includes $500,000 for construction of an addition to the NMAI Collections Annex at 3401 Bruckner Boulevard in the Bronx. An additional $350,000 will be allocated from funds provided for care and custody of the NMAI collections in FY 1990. At present the majority of the one million objects in the Heye Collection are stored in the Annex under extremely crowded conditions. Space is not available either in this building or at Audubon Terrace for detailed examination, documentation, conservation and packing of the Heye Collection in preparation for the move to Suitland, Maryland. The Institution considered other options for acquiring the necessary space near the Bronx facility, including leasing, but determined that construction of an addition at Bruckner Boulevard is the most efficient and cost effective solution.

The addition will be required by the Museum for a period of about eight years to prepare for the move of the collections. The Smithsonian is currently considering plans to use the entire building on a permanent basis after the move to support the New York operations of the Museum of the American Indian and the Cooper-Hewitt Museum.

Question 27: What is the estimated cost of this facility? Provide a breakdown of the costs and what exactly the facility will include.

Answer: The Institution estimates that design and construction of the addition to the Bronx building will cost $850,000. Additional sums may be required for equipping in FY 1992. A detailed design and cost estimate will be available in July 1990. The structure planned is an addition to the existing storage facility, which will provide space for staff to assess and document the current condition of the nearly one million artifacts in the collection, provide necessary treatment to stabilize the objects, and pack them for later shipment to Suitland, Maryland.

Planning and Coordination Teams

Question 28: An increase of $835,000 and 10 work years is requested for continued formation of planning and coordination teams.

What positions are being added with the funds available in 1990 related to planning and coordination? Provide details for the record.

Answer: Six positions related to planning and coordination are being added in 1990, including an assistant project director, a collections management coordinator, a conservator, an administrative assistant, and two secretaries. In addition, funding initially associated with planning and coordination is being

used to hire two positions to begin the staffing of the NMAI fund raising office (an administrative officer and a secretary), in accordance with the Institution's reprogramming request approved by Congress. Finally, with the duties of the project director position being carried out temporarily by the Under Secretary, funding initially provided to hire that position has been used to secure necessary outside advice and temporary assistance in other aspects of planning and coordination such as research, outreach and public program planning.

Question 29: What exactly are the expected responsibilities of the ten positions delineated in the budget? Provide a breakdown of the costs associated with these positions.

Answer: The ten positions for project planning and coordination requested for FY 1991 are: a Facilities Project Manager (1 workyear and $70,000), an Assistant Facilities Project Manager (1 workyear and $55,000), a Public Program Coordinator (1 workyear and $65,000), a Research Coordinator (1 workyear and $55,000), a Library Services Coordinator (1 workyear and $55,000), a Public Affairs/Media Relations Specialist (1 workyear and $47,000), a Liaison Coordinator to the Native American Community (1 workyear and $47,000), an Archives Technician (1 workyear and $27,000), and two Secretaries (2 workyears and $54,000).

These positions, based in Washington, D.C., will have primary responsibility for planning and integrating specific programmatic aspects of both the initial operations and the long-term development of the programs for the National Museum of the American Indian's Mall Museum. Professionals in these fields will bring the necessary full-time expertise into the planning process and assist Smithsonian management in the further planning and development of the new Museum. For example, the Public Program Coordinator will be responsible for planning for the Museum's wide range of exhibitions, public educational activities, public space amenities (such as in lobby areas), and other public programs for both the Mall museum in Washington, D.C., and the U.S. Custom House facility in New York City; work with the facilities and collections planning staff to help plan the public space requirements in these facilities; oversee the development of the opening exhibition in the Custom House; and develop staffing plans for the Museum's exhibition and educational programs for inclusion in future budget requests. Similarly, the Library Services Coordinator will be responsible for planning for the management of the Museum's library collections and related facilities requirements for the Mall Museum; reviewing the current policies and procedures for book and journal acquisitions, cataloguing, research reference service, and collection preservation compared to Smithsonian standards; and determining how the collection complements or duplicates other Smithsonian library collections.

In addition to the personnel costs for these positions, the FY 1991 request includes funding for program support costs related to project planning and coordination, including travel ($50,000), supplies and office equipment ($110,000), contractual services ($100,000), and rent and communications ($100,000).

Question 30: How much is included in this request for rent and preparation of office space? Where will this space be?

Answer: An amount of $200,000 is included for space rental and associated renovation and furnishing costs. The space will be located in a building near the Mall such as at L'Enfant Plaza.

Native American Staff Development and Training

Question 31: The request includes $707,000 and 12 workyears for Native American staff development and training.

How exactly are the 1990 funds provided for this purpose being used?

Answer: The Native American Training Program in Museum Sciences is being developed by the Office of Museum Programs, the Institution's central museum training office. This program has several aims, the central of which is to develop a faculty of Smithsonian staff--American Indians and others--equipped to respond to the unique training needs and potentials of tribal museums and/or cultural centers. The aim is being accomplished through the creation of regional training sites, where faculty work closely with community cultural leaders to identify training needs and develop programs especially tailored to the communities resources. Each site will have as the focus of its training program a practical, actual project--like the cataloguing of a collection, or the development of an exhibition--that the community wants to accomplish. In essence, the doing of such a project becomes simultaneously a training experience for the community and a faculty development opportunity.

Question 32: How much of the request is related to the 12 positions? Provide a breakdown for the record.

Answer: A total of 12 workyears and $512,000 is related to the 12 positions. This amount will support a training coordinator (1 workyear and $55,000), a secretary (1 workyear and $27,000), and ten upward mobility positions (10 workyears and $430,000).

Question 33: Will any internships be awarded in FY 1991? How many are expected to be provided?

Answer: The Institution expects to award approximately ten internships for Native American students under this training program in FY 1991.

Custom House Programs

Question 34: There is a request of $1,037,000 and 5 workyears for Custom House programs.

How much of this request is related to the planned Quincentenary exhibit to be held in the Custom House in 1992?

Answer: $750,000 will be used for planning and design of the opening exhibition. This will take the form of contracts with guest curators, conceptual designers and conservators. We will set up an advisory committee and hire a project director. Fabrication and installation costs will be in the 1992 budget to allow for opening later that year.

Question 35: How many positions are included in the "security personnel" to be added for the Custom House site? Are these guard positions?

Answer: The requested staffing for Custom House Programs includes two guard positions (2 workyears and $44,000).

Question 36: Will any of the funds requested for maintenance and security and 23 positions (discussed below) be used at the Custom House?

Answer: The funding and staffing requirements requested under Maintenance and Security are based on the security needs for the Museum of the American Indian's current facilities at Audubon Terrace and Bruckner Boulevard. None of these positions will be available to provide security coverage at the Custom House during FY 1991.

Question 37: Where will the Custom House staff be housed in 1991? Is office space in the building ready to be occupied?

Answer: The Old U. S. Custom House at Bowling Green is expected to be partially open to the public in the summer of 1992, and museum staff are expected to occupy the building by late Fall that year. Until then, museum staff will continue to occupy Audubon Terrace as well as the collection annex at 3401 Bruckner Blvd.

Museum of the American Indian Security

Question 38: The request for maintenance and security is 23 workyears and $719,000.

What is the status of hiring guards in 1990? Do you still plan to have 10 on board?

Answer: At present we have 8 guards on board and will bring 2 more on board upon the MAI's transfer to the Smithsonian.

Question 39: How was it determined that you needed to hire 15 additional guards, and 7 supervisory positions?

Answer: The Smithsonian's Office of Protection Services has analyzed the security requirements of Audubon Terrace building and the storage facility in the Bronx in terms of the number of posts needed to meet the Institution's standards for round-the-clock security and access control. The staff then applied an industry-wide formula to determine the number of guards needed to cover the posts. Nineteen guards are needed to cover 12 posts at Audubon Terrace, and ten guards are needed for six posts at the Bronx building. Of the 29 guards required, four security employees of the Heye Foundation will transfer to the Office of Protection Services, and 10 new guard positions were provided in FY 1990. The Institution is requesting the remaining 15 guards in FY 1991 to complete the core security requirement for the Museum of the American Indian New York operations.

In addition to these positions, two guard positions required to provide security coverage at the U.S. Custom House site during preparation of the inaugural exhibit are requested as part of the increase for Custom House programs. Once the Custom House is complete and open to the public the Audubon Terrace guards will be transferred there. As the Custom House facility will be

substantially larger than Audubon Terrace, the Office of Protection Services will request additional security resources for the Custom House in FY 1992 to supplement the core staff.

The Office of Protection Services will combine the guard force now serving the Cooper-Hewitt Museum with the Museum of American Indian guard force. This arrangement will provide operational flexibility in scheduling guard duties and avoid duplicative administrative functions, as well as allow overlap of some supervisory and training functions. However, because of the distances between the two Museum of American Indian facilities, which are also some distance from the Cooper-Hewitt, an additional seven supervisory positions are required to provide management and supervision of the security force at both the Museum of American Indian facilities on a round-the-clock basis. The seven positions include an Assistant Chief of Security to provide management and oversight of the security operation at the two facilities; a Lieutenant for field inspection and direct supervision of first-line supervisors; two Sergeants for on-site supervision of guards assigned to day-time operations; and three Sergeants for on-site supervision of guards assigned to the evening and nighttime shifts.

Question 40: How many existing supervisors are there at the Cooper-Hewitt?

Answer: There are currently three supervisors at the Cooper-Hewitt: a Chief of Security; a Lieutenant; and a Sergeant.

Museum of the American Indian Utilities

Question 41: Why is $117,000 for utilities for the New York facilities included here rather than in the facilities services budget?

Answer: The Institution determined that the clearest presentation of the interrelated requirements for funding of the operations of the new Museum of the American Indian would be to consolidate all requests for Salaries and Expenses under a single line item. (See also answer to question number 19).

Question 42: Has any increase been built into this request over current costs for utilities at the existing sites?

Answer: Yes, a modest annual inflation rate of 3 percent has been applied to the actual FY 1989 costs, which totalled $111,000 for electricity, gas, oil, telephones and postage.

Native American Collections Documentation Research Program

Question 43: There is a request for $1,000,000 and 18 workyears for Native American collections documentation research.

How likely is it that you will be able to fill all 18 requested positions in 1991?

Answer: The administrative staff of the Department of Anthropology in the National Museum of Natural History is currently preparing position descriptions for these positions. The Department is in communication with the various

Smithsonian administrative units, particularly the Office of Personnel Administration, and expects to advertise all positions as anticipated vacancies in advance of funding approval. As soon as funds are appropriated, the Smithsonian will fill positions as quickly as possible. The Institution does anticipate delay in the start-up date for some positions and estimates that the total lapse will amount to approximately $225,000. As part of the FY 1991 budget, the Institution has requested that these funds be available for one-time space renovation and necessary office equipment for the new staff during the first year. Given the current shortage of positions for people trained in anthropology, the Department does not anticipate any serious problem in recruiting qualified candidates for the positions. In fact, over 30 people applied for the one anthropologist position that was approved for fiscal year 1990.

Question 44: What is being done to initiate this effort in 1990?

Answer: The staff of the Department of Anthropology at the Museum of Natural History, on all levels, has been actively involved throughout 1990 in making plans for the most effective procedures and strategies for achieving the objectives of the documentation research program. Congress provided funds in FY 1990 for an initial staff of one anthropologist and one program assistant. Recruitment for both staff positions is in progress and we expect to hire the program assistant by the end of May 1990 and the anthropologist position by August 1990.

In response to requests from several Native American representatives, the Museum is preparing a booklet for Native American groups that attempts to answer questions on the activities of the Department of Anthropology as they relate to those groups. We anticipate an initial press run of 25,000 copies.

The Museum of Natural History's Department of Anthropology continues documentation of cultural ceremonial and sacred objects in the collections of the Department of Anthropology and has completed the catalog of Kiowa cultural materials in the Department of Anthropology's collections. This information will be made available to Kiowa tribal leaders.

The Museum has received several requests for current catalog information on Native American skeletal samples in the collections of the Anthropology Department. Native American scholars have worked in the Museum, to review our documents as they relate to questions of historical context and cultural association of materials in the Departmental collections. The Museum has purchased equipment to make access to our archival records on Native American collections easier.

This year the Department of Anthropology has initiated a program to provide advisors and speakers for Native American groups who have an interest in dialogue with anthropological experts in Native American culture, archeology, and physical anthropology. The Museum has had requests for information on the program from eight Native American groups thus far.

Question 45: Provide a breakdown of the $325,000 requested for additional expenses, such as travel, equipment and supplies.

Answer: Major elements of this budget item include a computer network system that will link the documentation staff to the Anthropology Department's data base for its collections. The Department is currently converting to the Inquire data

base management system. The catalog and accession data will be available, on an interactive basis, by September 1990. The new staff, however, will need personal computers to interact with the system. The Smithsonian also hopes to explore research methods and techniques that will recover, non-destructively, as much information as possible from skeletal materials that will be repatriated. This will involve the use of sophisticated statistical and biomedical techniques including high-resolution, computed tomographic (CT) imaging. The Institution plans to purchase some of the equipment needed to support this research in FY 1991. (Funding for 2 postdoctoral fellows, originally anticipated to begin in FY 1991, has been deferred to a later time.)

Equipment, Supplies, Travel Contracts
Fiscal Year 1991

Computers:	
IBM PS2 Computers @ $6,000, 10	$60,000
HP Laser Jet Printers @ $2,000, 5	$10,000
Computer Software (DBase, Revelation, Paradigm 7, AutoCAD, WordPerfect, Lotus, Novell)	$20,000
Networking Hardware	$10,000
Mini computer system (Sun Sparc computer, Pixar II, Stereographics monitor, maintenance for one year)	$130,000
SUBTOTAL	$230,000
Other Equipment	
Microfilm equipment, readers and copiers	$15,000
Photocopying equipment @ $15,000, 2	$30,000
SUBTOTAL	$45,000
Supplies	
Administrative office supplies	$5,000
Documentation staff supplies	$10,000
Outreach personnel supplies	$ 5,000
SUBTOTAL	$ 20,000
Travel	
Documentation staff	$15,000
Native American Consultants/ Scientific Panels	$10,000
SUBTOTAL	$ 25,000
Communications	
FAX, TELEX, Long Distance Telephone	$5,000
SUBTOTAL	$ 5,000
TOTAL	$325,000

Question 46: What is involved in the space renovation in the Natural History building? How was the estimate of $225,000 derived?

Answer: The more than 18 staff members involved in the repatriation effort will have a serious impact on the Department of Anthropology's already limited space. These individuals will be working closely together; computer systems will be electronically networked; documentation personnel will require ready access to collections, catalogue, accession, and archival materials. The only contiguous space that meets the requirements for accommodating this large staff is on the fifth floor of the east wing of NMNH. This space (6,000 square feet) currently houses over 35,000 ethnographic objects from Africa and Asia. Currently the room is unpartitioned and has only marginal lighting and only one telephone line. Collections must first be moved to Anthropology storage areas at the Museum Support Center in Suitland, Maryland, before the renovation can begin.

Once collections are moved, the room must be partitioned into workspaces for the repatriation staff including provision of adequate lighting, new phone and communication lines must be installed, and the space must be fully outfitted with office furniture. Estimated costs for these activities are found below.

Office construction costs	$150,000
Office furniture	50,000
Telephone lines	18,000
Computer network lines and installation	7,000
TOTAL	$225,000

Question 47: What is the difference between the "start-up equipment" and the office and research equipment, which is included in the $325,000 request?

Answer: The "start-up equipment" which will be purchased with the anticipated salary lapse will consist of office furniture, while the equipment included in the $325,000 request will consist of computer hardware and software, microfilm readers and printers, and photocopying equipment.

Review Committee on Native American Materials

Question 48: Included in the request is $250,000 and 4 workyears for a special review committee on Native American materials.

Have the members of this committee been appointed to date? If not, when do you expect they will be?

Answer: The committee members were selected by the deadline specified in the Act. Secretary Adams followed up telephone contact with an official letter to the five members dated 16 April 1990. Four of the five members of the committee were recommended by tribal groups. Members of the committee are:

Mr. Roger Anyon--Tribal Archaeology Program Director, Pueblo of Zuni
Dr. Lynne Goldstein--Archeologist, University of Wisconsin
Ms. Andrea Hunter (Osage)--Archeologist, University of Missouri

Dr. Russell Thornton (Cherokee)--Sociologist, University of California, Berkeley
Dr. Christy G. Turner II--Physical Anthropologist, Arizona State University

Question 49: How exactly will the activities of the administrator of this effort differ from the administrator of the documentation research program?

Answer: The five-person committee is an independent advisory body that reports to the Secretary of the Smithsonian. Its function is to evaluate information provided by tribal groups and/or by the documentation staff as they relate to disputes between tribes or between a tribe and the Smithsonian Institution. The responsibility of the administrator for the committee is to insure that the information members may need is provided in a timely manner and to oversee the contractual and travel arrangements of the members.

The administrator of the documentation program reports to the chairman of the Department of Anthropology and is responsible for the supervision of the documentation staff and for the preparation of documentation reports that will be prepared for all Native American materials in the Department's collections.

Question 50: What are the responsibilities of the fund manager?

Answer: The fund manager for the advisory committee will be responsible for writing, submitting, and tracking all obligating documents related to committee activities. These documents include but are not restricted to all travel documents, contracts for committee member compensation, staff personnel documents. This individual will also be responsible for maintaining all records related to committee activities, including all correspondence between this committee and the repatriation documentation staff in the Department of Anthropology, as well as correspondence with other Smithsonian and non-Smithsonian offices, organizations, and individuals. The fund manager will also assist the Coordinator in making arrangements for committee member activities.

Question 51: How much of the request is for committee member travel and compensation? Provide details of how these estimates were derived.

Answer: The travel and compensation for committee members was computed in the following way.

<u>Travel</u>
Air Fare = $25,000
(@ $1000, for 5 trips for 5 people)

Per Diem = $25,000
($167/day for 30 days each for 5 people)

Total, Travel $50,000

<u>Compensation</u>
Based on GS 18 level salary = $50,000
($333/day for 30 days for 5 people)

Total, Compensation $50,000

Grants to Indian Tribes

Question 52: Why have you not requested any funds for grants to Indian tribes under Sec. 14 of the authorizing Act?

Answer: The Act appears to give responsibility for administering such grants to the Secretary of the Interior and presumably the Department of the Interior. Furthermore the Act seems to specify that Indian tribes are to request such assistance directly from the Secretary of the Interior although the mechanisms for doing this are not clear. In view of the Institution's understanding of this section, it has taken no initiative to request funds authorized under this section.

Request for Repatriation

Question 53: Are you aware of any needs for such funds in 1991? Specifically, what is the status of the Larsen Bay and Pawnee requests for repatriation of remains?

Answer: The Department of Anthropology, NMNH, has received no request for such support. The request for repatriation of human skeletal materials and funerary artifacts from the Uyak archeological site in Larsen Bay, Kodiak Island, Alaska is being negotiated now. The Smithsonian will offer the transfer of all material clearly dated to the historic period (since 1750 A.D.) and has expressed the hope that, because of its importance to biomedical and anthropological research, it be maintained as a collection in the new museum facility to be built on Kodiak Island. If this option is acceptable to the Larsen Bay community, some Federal support may be appropriate and perhaps necessary to assist with the cost of storage equipment and facilities in the new museum.

Research on the Pawnee skeletal material currently on loan from the Nebraska Historical Society is virtually complete. The material will be returned to the Society this summer for subsequent return to the Pawnee people for reburial. The Department of Anthropology may have a limited number of Pawnee skeletal remains in its collection. Pawnee scholars have been reviewing the Department's records for several months and will issue a report on their findings in the near future. At that time the Smithsonian hopes to have the documentation staff focus on this problem, and will begin the process of negotiations with the Pawnee leaders about the disposition of any Pawnee materials in the Anthropology Department's collections.

National Museum of the American Indian Facilities

Question 54: As noted earlier, the request for construction funds for the NMAI is $8,130,000. This includes $6.7 million for renovation of the Custom House, $1 million to begin design of the Suitland building, and $430,000 to continue planning of the museum on the Mall.

What is the status of the planning efforts in 1990 for these three facilities?

Answer: The Institution has recently selected an architectural and engineering firm to define the facility program for the Suitland and Mall

buildings, and expects to award the contract by July 1, 1990. The planning for the Custom House will be complete in early Summer 1990.

Question 55: What is the status of the design of the Custom House? When will it be complete?

Answer: The Smithsonian has negotiated a contract with the same New York firm under contract to the General Services Administration (for renovation of the GSA space in the building) for design of the Heye Center in the Custom House. Design concepts are due in mid-June 1990, and design completion is expected in late December 1990.

Question 56: Are you currently contemplating any significant changes to the amount of square footage to be provided in this structure, or to its configuration, from the initial planning?

Answer: The George Gustav Heye Center of the Museum of the American Indian will occupy approximately 87,500 square feet in the Custom House. Public space is now planned mostly for the prestigious second floor.

Question 57: Have both the City and State of New York made their share of funds available for the planning and design process? When were these funds provided?

Answer: The Institution is working closely with New York State and City in order to make all design funds available in July 1990 and all construction funds available in late December 1990.

Question 58: What is the estimated cost to furnish and equip the facility, for which you expect to request funds in FY 1992?

Answer: Presently, furnishings and equipment for the Custom House are estimated to cost approximately $1.7 million.

Question 59: Do you have a firm commitment of the construction funds from the City and State?

Answer: The Smithsonian has received commitments of funding support from both the Mayor of New York City and the Governor of the State of New York. The Institution and New York State and City are currently negotiating the details of timing of release of funds.

Question 60: With regard to the Suitland building, you note that the Heye collection will be collocated with artifacts from the Natural History museum collection.

Were these Natural History collections originally planned to be stored in the existing MSC facility?

Answer: Yes, these Natural History collections were originally planned to be stored in the existing MSC building.

The statement in the budget request that the collections will be collocated did not mean within the same structure, just at the same general facility at Suitland, Maryland. The new Suitland building that will house the Native American artifacts from the Heye Foundation will be constructed near the existing Museum Support Center building which will house the Department of Anthropology Native American collections, once they have been relocated from the Natural History Building. The close proximity of the two collections will allow coordination and sharing of conservation preservation and collections-related research activities.

Question 61: If so, will this free up space for other collections? What impact would this have on space requirements?

Answer: No space will be freed up within either the MSC Building nor the NMAI Building for other collections. The space needed for Natural History collections at MSC does not change from the initial move requirements that have been planned for ten years. The NMAI Suitland building still requires 200,000 square feet to house the Heye collection.

The space freed up at the Natural History Building is currently insulated with asbestos. After removing/encapsulating the asbestos, this space is scheduled to serve as a holding area for the Natural History Major Capital Renewal Project for several years. After its use as a holding area, it can be used for collection decompression and growth.

Question 62: How much in total do you expect the design of this facility to cost? What is this based on?

Answer: Based on a preliminary construction budget of $44 million, planning and design costs for this Suitland facility are estimated to be about $2.3 million. This estimate is conservative in anticipation that technical information and lessons learned during construction of the Museum Support Center would facilitate the design process.

Question 63: The Museum on the Mall is expected to be completed in 1997 and opened in 1998.

If you receive the $430,000 requested in 1991, will this complete the funding required for planning the museum? If not, how much more will be required and when would you expect to complete this effort?

Answer: The Institution will use the $430,000 requested in FY 1991 for preliminary facility planning of the Mall building. The Smithsonian expects to request $7,350,000 in FY 1992 to complete planning ($350,000) and design ($7,000,000) of the building.

Question 64: When do you expect to be ready to begin design?

Answer: The Institution expects to begin the design of the Mall museum during FY 1992.

Migratory Songbirds

Question 65: Several articles have recently reported on new findings that the numbers of migratory songbirds (which winter in the tropics and summer in the eastern half of the U.S.) are declining. The budget of the National Zoo contains an increase of $75,000 to add two positions to study the effects of habitat destruction on migratory bird populations.

Will this increase be sufficient to allow you to address this problem adequately?

Answer: No, the Institution currently estimates that a total increase of approximately $360,000 (or $285,000 over the amount of the FY 1991 request) will be needed to address this problem, as described in the response to Question 67. The $75,000 increase in the National Zoo request will help to begin investigations of the effects on migratory bird populations of deforestation and alternative land uses in their tropical wintering grounds. There is a consensus among avian ecologist that habitat destruction and degradation in the tropics and North America represent the greatest threat to migratory bird populations. Initially, the research will concentrate on the rainforests of Chiapas, in southern Mexico, and will serve as a pilot project for studying the effects of deforestation on migratory birds and ways to mitigate these effects.

However, in order to address the problems facing migratory birds on a global basis, research also must be conducted on bird populations in North America and data from studies of birds should be integrated with information on the status of habitats. In addition, existing data sets should be analyzed to provide the latest information on the status of the over 150 species of tropical migrant landbirds. All of this information should be synthesized in such a way to be useful for policymakers, scientists and the public.

The National Zoo's FY 1991 request is one small step in a larger context, but a critical one. The data emanated from this work will be fully integrated into our national efforts on migratory birds, in full cooperation with federal agencies.

Question 66: What other efforts are currently underway within the Smithsonian in relation to this problem?

Answer: Work has begun to establish new programs for migratory bird research and conservation. Logistical support has been established for a migratory bird research center to be located in the Lacandon Forest of Chiapas. Smithsonian has begun to develop outreach materials on migratory bird ecology for use in North America and (in Spanish) for Latin America. Smithsonian will be working with private bird groups to help coordinate the establishment of long-term bird monitoring programs that will complement the Breeding Bird Survey of the Fish and Wildlife Service. Smithsonian scientists are studying the effects of major forest fires on the Yucatan Peninsula on bird populations.

These are the most recent initiatives, but scientists at the National Zoological Park (NZP), the Smithsonian Environmental Research Center (SERC), and the Smithsonian Tropical Research Institute (STRI) have had long standing research programs on migratory birds both in North America and throughout the Caribbean Basin, focusing on the Yucatan Peninsula and Panama. Scientists at the NZP have conducted research on population declines of North American birds at the

continental level (in collaboration with the Fish and Wildlife Service) and at the local level, with ongoing studies on the ecology of forest dependent migrants at the Conservation Research Center. Research on the basic ecology and the effects of habitat degradation of migratory birds has been conducted over the past 15 years in Panama, the Greater Antilles and the Sian Ka'an Biosphere Reserve in Mexico. NZP sponsored a watershed conference on the ecology and conservation of migratory birds in the tropics in 1977. Scientists have been active in writing a number of scientific and popular articles on the declines of migratory birds. Researchers at SERC have been studying the ecology of forest fragmentation on breeding populations, as well as the response on the role of birds in tropical ecosystems and the ecology of migratory raptors.

Question 67: What additional resources could be used to expand these efforts?

Answer: An additional $285,000 support would allow the Migratory Bird Program to establish Neotropical migratory bird research centers (a series of four at existing field stations phased in over the next five years), to coordinate the establishment of long-term monitoring sites in North America, to investigate existing data sets on bird abundance and habitat, to establish issue-specific task forces to address key scientific and policy issues through focused white papers, to support and train both U.S. and Latin American researchers on migratory bird populations in North America, and to provide timely information both through scientific and popular publications. The increased budget would fund: two additional staff biologists ($122,000), two additional research assistants ($52,000), administrative assistant ($26,000), foreign student training support ($25,000), travel ($20,000), general program support (i.e., computer, publication costs, field transportation $40,000).

Question 68: What additional recommendations would you make for increased activity by other Federal agencies, such as the Fish and Wildlife Service, Forest Service, BLM, or National Park Service?

Answer: The Migratory Bird Population Program can synthesize and act as a clearinghouse for information gathered from both non-governmental organizations and federal agencies. Important data on migratory songbirds will be derived from the greater attention to nongame birds that the program generates. The Institution recommends that there should be increased efforts in the following five areas:

Population Monitoring: Increased support for the analysis and synthesis of data gathered by the North American Breeding Bird Survey conducted by the U.S. Fish and Wildlife Service (USFWS) and the establishment of benchmark study plots on large tracts of pristine habitat by the U.S. Forest Service (USFS) and National Park Service (NPS) with assistance from private groups such as National Audubon and Bird Observatories.

Habitat Monitoring: There is no data base equivalent to the wetlands surveys (USFWS) for forest and other terrestrial habitats. The satellite photo-imagery is available to assess the conversion of forest in North and Latin America. What is needed is an interagency cooperative program on land use that would involve the analysis and field testing of the imagery in relation to migratory bird populations and biodiversity. Relative to other activities, this would require a high funding commitment.

Research: There is little basic research on the population ecology of most migratory songbirds. Programs within National Science Foundation, USFWS, and other agencies should be provided with more support. In particular, more work is needed on the response of migratory birds to the range of land uses in tropical countries. This is an area where joint programs between Smithsonian, federal agencies, universities and U.S. Agency for International Development (A.I.D.) could enhance the immediate dissemination of research results. USFS manages large areas of forest land in eastern North America. Research should focus on the role of birds as insect predators in forest ecosystems, the effects of alternative forest uses on migratory bird populations, and the conversion of natural forest to tree plantations and the effect of road-building and fragmentation.

Training: The Institution recommends that the Smithsonian, USFWS and A.I.D. enhance programs for training scientists in tropical countries.

Policy: The Institution recommends the following: In North America, the Forest Service, National Park Service and Bureau of Land Management (BLM) should investigate implementing policies consistent with recently discovered effects of road-building and development on unfragmented tracts of forest. The USFS should incorporate considerations of the negative impact of plantation monocultures and management of even-age stands on migratory bird populations and biodiversity in general. The USFWS and Department of Agriculture should develop cooperative programs for control of the nest-parasitic cowbird. A.I.D should encourage tropical forest protection and promote land use practices that mitigate the impact of agricultural development on migratory birds. The Smithsonian should form an advisory committee that would provide information on how to mitigate declines in migratory bird populations based on recent research.

Question 69: The Environmental Research Center has a grant in FY 1990 from the World Wildlife Fund to continue to support investigation of the effects of land changes in the Yucatan Peninsula on migratory bird populations that nest in the Chesapeake Bay region (p. 57).

How many years has this investigation been underway? What is the current level of funding?

Answer: This investigation has been underway for nine years with funding from the World Wildlife Fund. The level of funding for this year is $15,000.

Question 70: Do you expect to receive additional grant funding to continue this effort in FY 1991?

Answer: Additional funding is not expected in FY 1991.

Question 71: What impact will it have if the research is not continued?

Answer: Current Smithsonian efforts to work with local Mexican officials in the Quintana Roo province to guide land use management will cease. If the research is not continued, land management decisions may be made without consideration of the effects on migratory birds.

Requests for No-Year Funding

Question 72: Of the salaries and expenses request, $22.9 million is requested to remain available until expended.

For each of the components of this particular request, what are the specific reasons it is believed that this additional authority is needed?

Answer: The Smithsonian's FY 1991 budget request includes no-year funding as part of the Salaries and Expenses account for five program areas: 1) Major Scientific Instrumentation ($5.8 million); 2) Collections Acquisition ($1.2 million); 3) Museum Support Center collections storage equipment and move costs ($3.3 million); 4) the reinstallation of permanent exhibition halls ($1 million); and 5) initial operating costs for the new National Museum of the American Indian, including the documentation of Native American human remains, funerary objects, and cultural artifacts in Smithsonian collections ($11.6 million).

Major Scientific Instrumentation: Since FY 1989, no-year funding has been included in the Salaries and Expenses appropriation for the development of Major Scientific Instrumentation. Currently, the Major Scientific Instrumentation program provides funding for two projects for the Smithsonian Astrophysical Observatory: the development of an array of submillimeter telescopes; and the conversion of the Multiple Mirror Telescope. No-year funding has been provided for these two projects because of the magnitude of the costs, long-term development and multi-year funding required to fabricate new instruments and to reconfigure existing ones.

Collections Acquisition Funding: The Smithsonian's Federal budget includes a total of $1.2 million to support the purchase of artifacts and works of art for the collections of eight Smithsonian bureaus: the Museum of Natural History ($10,000); the Museum of American History ($89,000); the Museum of American Art ($350,000); the National Portrait Gallery ($423,000); the Hirshhorn Museum and Sculpture Garden ($145,000); the Freer Gallery of Art ($91,000); the Museum of African Art ($130,000); and the National Zoo ($15,000). Beginning in FY 1991, the Institution requests no-year funding for collections acquisition to eliminate the problems faced with a one year limitation on these funds. For example, if negotiations with an owner of a desired object take longer than expected and a final agreement cannot be reached within the fiscal year period, funding reserved for the purchase of an object may be lost. In addition, as the price of many artworks and artifacts escalates, fixed one-year appropriations that are not tied to an inflation index make it impossible for a museum to accumulate enough collections acquisition funding to enable purchase of objects whose purchase price exceeds the annual acquisition allotment.

Museum Support Center Collections Storage Equipment and Move Costs: Beginning in FY 1991, the Smithsonian requests no-year funding for the purchase and installation of collections storage equipment for the Museum Support Center (MSC) and the preparation and transfer of collections to the MSC. No-year funding will permit flexibility in the procurement of the remaining storage equipment, especially for two specially-designed storage systems for "high-bay" storage for very large objects and for "wet" storage for biological specimens in alcohol. Because of the time required to bid and award contracts for major projects such as the MSC storage equipment systems, the procurement process may exceed the period of availability of funds in a one-year appropriation. In addition, no-year funding for MSC Move costs will allow the Institution to respond to shifts in the

peak move activity between fiscal years, caused by unanticipated changes in the planned purchase and installation of storage equipment, without end-of-year restrictions resulting in the loss of appropriated funding.

Reinstallation of Permanent Exhibition Halls: Beginning in FY 1991, the Smithsonian requests no-year funding for the phased replacement of permanent exhibition halls in Smithsonian museums. Careful planning is essential for exhibit renovation, often requiring scheduling several years in advance for demolition, object selection and preparation, and installation. Because of the magnitude of the costs involved in exhibit revitalization and the requirement of multi-year planning, no-year funding will allow the reinstallation of permanent exhibition halls to proceed effectively, without end-of-year restrictions resulting in the loss of appropriated funding.

Initial Operating Costs for the New National Museum of the American Indian: Beginning in FY 1991, the Smithsonian requests no-year funding as provided for in the authorization legislation for the new museum (Public Law 101-185), for the initial operating costs for the new National Museum of the American Indian. No-year funding will assure smooth and expeditious development of the comprehensive and complex programmatic and support operations of the Museum. Without a no-year authorization, the development of the new Museum could experience undue disruption as the result of funding lapses that could otherwise occur as the Institution consults with and invites participation by American Indian communities and as new and unforeseen considerations impact planning and implementation.

Question 73: What specific problems has the Smithsonian encountered in these programs in obligating funds on an annual basis, and why do you expect these problems to continue?

Answer: The primary problem in obligating funds on an annual basis for all of the programs for which no-year funding is sought is the inherent inability to assure that the various steps which precede obligation will always go smoothly. If there is a change in any one of a series of successive milestones in planning, deciding, negotiating, etc., it potentially prevents the obligation of funds before the close of a fiscal year. The following examples detail some of the specific problems that occur in each of the program areas for which the Institution is seeking no-year funds. These are recurring, generic problems. No-year funds for these program areas will avert these problems and greatly increase the Institution's ability to utilize its resources more efficiently.

Major Scientific Instrumentation: The development of major scientific instrumentation, such as the submillimeter telescope array and the conversion of the Multiple Mirror Telescope, involves, almost by definition, proceeding into the unknown, since the researchers developing these major new devices are virtually pushing back the frontiers of science and technology. As a result, certain elements of a particular instrument may develop at different rates, requiring budgetary flexibility among such elements. In addition, the two projects could develop at different rates, for which such flexibility will also be at least as helpful.

As indicated in the responses to the questions related to the specific projects, the completion date of the design study for the submillimeter telescope array will be delayed a few months; and the conceptual design stage for the conversion of the Multiple Mirror Telescope has taken somewhat longer than originally thought. However, with no-year funding, neither of these relatively

minor schedule changes will have any impact on the availability of funding, and hence on their continued progress, for subsequent phases of the projects.

Collections Acquisition Funding: One major and recurring problem with one-year funds for collections acquisition that would be eliminated with no-year funding concerns the uncertainty of negotiations for collections purchases. In many cases, curators may discuss the possible purchase of an artifact or work of art with a potential seller for months or even years, especially if the seller is an individual instead of a dealer. Often the negotiations are not complete at the end of the fiscal year. When the seller is finally ready to make the decision to sell, however, the museum must act quickly. With one-year funds, the museum may lose a portion or all of these funds. In addition, as the price of many artworks and artifacts escalates, fixed one-year appropriations make it impossible for a museum to accumulate enough collections acquisition funding to enable the purchase of objects whose purchase price exceeds the annual acquisitions allotment.

Museum Support Center Collections Storage Equipment and Move Costs: The major and recurring problem in using one-year funds for both Museum Support Center collections storage equipment and move costs that would be eliminated with no-year funding concerns the uncertainty of determining the cost and contracting timetable for the two specially-designed storage systems for "high bay" storage for very large objects and for "wet" storage for biological specimens in alcohol. As indicated in the response to the questions concerning the Museum Support Center, the Institution's highest priority for MSC collections storage equipment funding for FY 1991 (after the completion of the reprocurement) is the design, purchase and installation of the "high bay" system, which the Institution deferred in order to finish the reprocurement. The Institution intends to contract for the design of this system as soon as possible after the receipt of FY 1991 funds. However, the Institution will not know if there are sufficient funds in FY 1991 to purchase and install the "high bay" system until after the design phase has been completed (which may not be until the end of FY 1991 or even FY 1992). With one-year funds, the Institution would in all likelihood not have sufficient time prior to the end of the fiscal year to obligate this funding for its second priority (the design of the "wet" storage system) if it learns that there is not sufficient funding to purchase the "high bay" equipment in FY 1991 or if the design process continues into FY 1992.

Reinstallation of Permanent Exhibition Halls: A major and recurring problem in using one-year funds for the reinstallation of permanent exhibition halls that would be eliminated with no-year funding concerns the impracticality of fixing both the required funding stream and a contracting schedule for the production or installation until after the completion of all design work. The initial conceptual planning and research phases for an exhibit often span two or more years, reflecting the curator's other responsibilities and also the availability of both Federal and nonappropriated funding for the exhibit. If a problem develops during the translation of the conceptual plan into the exhibit design, or the design process takes longer than anticipated, the later exhibit production and installation phases may be delayed. With one-year funds, the museum often must choose between initiating an exhibition production contract before all of the outstanding issues raised by the exhibit design process are satisfactorily resolved or losing funds.

Initial Operating Costs for the New National Museum of the American Indian: The development of the new National Museum of the American Indian represents a major undertaking of national significance, both for the Smithsonian and for American Indian communities throughout the United States. The project also

presents an unique opportunity for American Indian communities throughout the United States to play a significant role in the planning and development of this museum. Consequently, the Smithsonian is proceeding with the development of the National Museum of the American Indian through a planning process that ensures the maximum amount of Native American input, both from within the Smithsonian and through the establishment of advisory links with American Indian communities and professionals throughout the country. Because of the magnitude of this project and the need to coordinate the planning activities of the Smithsonian in Washington with the advisory review and planning work conducted throughout the country, it would be counterproductive to circumscribe the development of this Museum to inflexible timetables or through the funding restrictions required by one-year funds. Congress recognized the need to ensure that the continued planning and development of this Museum be free from these restrictions by providing for no-year funding as part of the authorizing legislation (Public Law 101-185).

Minority Internship Program

Question 74: P. 31. The request for the Assistant Secretary for Research is $1,647,000, an increase of $30,000.

Why has there been a decline in the number of students in the Minority Internship program (33, versus 46 a year ago)?

Answer: In 1989, the Office of Fellowships and Grants received a mid-year one time allotment of trust funds to increase the monies available for minority awards. Therefore, we were able to offer more minority internships that year.

Mpala Ranch in Kenya

Question 75: The March newsletter to the Regents indicates that the Smithsonian and Princeton University are negotiating with the George Small Foundation to enter into a cooperative research program on the Mpala Ranch in Kenya.

What is the status of this effort?

Answer: Smithsonian and Princeton staff recently visited the Mpala Ranch and held discussion with the Kenya Department of Wildlife and Parks and the National Museums of Natural History of Kenya. Both expressed interest in a research and conservation center being established. While discussions are moving forward, several outstanding issues remain to be settled. One of these is whether the Institution should become a trustee of the Small Foundation as well as a member of the Scientific Advisory Committee for the proposed research center, or whether it should restrict itself to the latter role. Another is the question of ownership of the land when the research center is established, and more particularly, after Mr. Small's death. Other issues relating to issuance of research permits, exemption from Customs duties, and other aspects related to Kenyan law must also be agreed upon before any agreement for Smithsonian participation is reached.

Question 76: What would the research program encompass?

Answer: Scientists from the National Museum of Natural History, the National Zoological Park, the Tropical Research Institute, and the National Air and Space Museum (Center for Earth and Planetary Studies) all have expressed interest in conducting research at the Mpala Ranch. Studies discussed would range from taxonomic, behavioral and ecological studies of mammals to geological work to studies aimed at understanding human/animal relationships in this ecosystem. No formal research program will be established until issues relating to issuance of research permits, exemption from Customs duties, and other aspects related to Kenyan law are settled.

Question 77: What kind of resources would be required to support this effort, and what are the expected sources of these funds?

Answer: The total amount of resources required cannot be determined until a formal research program is established. However, Mr. Small proposes to provide a modest endowment for the research center. He further indicates that he will assist Princeton University and the Smithsonian in fundraising to augment this endowment. The Smithsonian has made no commitments, implied or otherwise, concerning provision of financial support to the center from its own resources.

Smithsonian Astrophysical Observatory Equipment Base

Question 78: P. 36. The request for the Smithsonian Astrophysical Observatory is $12,532,000, an increase of $1,365,000 (12%).

The budget notes (p. 45) that equipment funds are in very short supply.

What is the reason for the decrease in the 1990 base for equipment funds, which was requested last year at $1.2 million and now is $853,000?

Answer: The increasing need for SAO to absorb, from its base, personnel costs associated with quality increases, promotions, and, each year, part of the cost of legislated pay raises left SAO with a serious deficiency of funds for equipment. Further, the hiring of replacement personnel at higher levels was necessary because of the competition from academia and industry which offers higher salaries. The cumulative effects of the OMB Grade Target Reductions from FY 1985 through FY 1989 affected SAO disproportionately relative to other SI bureaus simply because of its very high percentage of scientific personnel. Finally, the effects of the FY 1990 Gramm-Rudman-Hollings sequestration contributed to this deficiency.

Atmospheric Chemistry Studies

Question 79: There is a requested increase of 2 workyears and $180,000 for atmospheric chemistry studies.

How exactly do you envision this research will be used to develop strategies to curb the threat to the ozone layer?

Answer: In order to develop strategies to curb the threat to the ozone layer, scientists must understand the chemical processes occurring there and must

have reliable and accurate theoretical models of the atmosphere that can predict the changes that will occur and are occurring due to mankind's actions. Smithsonian scientists have been making measurements in the stratosphere of groups of reactive molecules which are coupled by chemical reaction cycles. These measurements provide data that are being used to make definitive tests of theoretical models of the ozone layer.

Question 80: How long term do you envision this research being? When would initial usable results be expected to be available?

Answer: The research to be funded is aimed at providing a comprehensive understanding of atmospheric composition and processes. This research will require several decades to reach a level of knowledge adequate to predict the behavior of the ozone layer with confidence. Initial results will be presented at scientific conferences and published in scientific journals within the first two years.

Question 81: Are any similar studies being conducted currently by other institutions? If so, provide details for the record, and discuss why this additional research is necessary.

Answer: While several stratospheric measurement programs are being conducted in the scientific community, the research conducted at SAO is unique for a number of reasons. The group at SAO is the only one in the U.S. carrying out measurements in a large portion of the far- and mid-infrared wavelength region which is most significant for identifying many chemical species important in the ozone-layer problem. This SAO research program is the only one that measures simultaneously (in time and in space) the abundances of complete families of chemical species which are related by complex chemical reactions. SAO will also develop instruments for a satellite measurement program, in collaboration with European institutions, that will have more spectral resolution and more wavelength coverage than any previous or presently proposed program. The instruments will perform comprehensive global measurements of ozone-layer molecules and aerosols, including the halogen species and polar stratospheric clouds thought to cause the polar ozone holes. Effects of tropospheric pollution, from industrial sources, biomass burning, volcanic eruptions and forest fires, will also be monitored.

Major Scientific Instrumentation

Question 82: As noted earlier, the request for major scientific instrumentation is $5,765,000, an increase of $3,618,000. Included is $3,782,000 for the submillimeter array, and $1,983,000 for conversion of the Multiple Mirror Telescope.

Why have you not been able to complete the design of the submillimeter array with the 1990 funds, as indicated in last year's budget?

Answer: SAO now expects that the design study will be completed within 3 percent of the originally estimated cost, and perhaps wholly within that estimated cost. However, the completion <u>date</u> will be delayed a few months, due to the late arrival of some key personnel. This delay should not affect the overall schedule. The FY 1991 funds requested for design, mentioned on the last line of p. 88 and the first line of p. 89 of the SI budget submission, refer to the detailed

engineering design for the antennas and not to the design study itself. We apologize for the misleading wording.

Question 83: How exactly are the funds provided in 1990 for site planning ($131,000) being used? When do you expect to make the site selection?

Answer: The estimated spending for the site planning in 1990 is dominated by the cost of constructing and installing, at Mauna Kea and Mt. Graham, interferometric devices to measure the extent at each site of the correlations of atmospheric fluctuations, for points separated by various distances. These devices are the most sophisticated of those being used for site evaluation. The cost of these devices is about $80,000. Approximately $40,000 is being used to hire the services of a designer to do preliminary site drawings in support of the design study, while the remainder is to support site visits and supplies. The selection of the site will be made not later than June of 1991. Site selection in mid 1991 will not delay the completion of the array.

Question 84: How will the $200,000 included in the request for starting site development be used?

Answer: Following the selection of the potential site by mid-FY 1991, the Institution expects to fund a major portion of an Environmental Impact Statement, at a total cost of about $100,000. In addition, approximately $60,000 will be used to contract the services of engineers to develop environmentally compatible architectural specifications so that we can contract for the site drawings in FY 1992. The remaining funds are primarily for detailed surveys and soil analyses at the site, and for travel and logistics necessary to acquire rights to the site.

Question 85: How is the $200,000 included in the 1990 budget for correlators being used? How does this relate to the $50,000 included in this request to initiate correlator development?

Answer: Much of the $200,000 planned for correlator development in 1990 turned out not to be needed in this area of the design study. The design study contract on the correlator, carried out by the Haystack Observatory, indicated that no extension of the state-of-the-art in this area was needed and that the bulk of the correlator development should be deferred to a later date. One exception was the development of economical frequency conversion circuitry, which we intend to fund in FY 1991 with the $50,000 so requested.

The FY 1990 money not used for the correlator development is being used for receiver activities which provide the most benefit for the project at this time.

Question 86: What is the status of hiring the 3 positions provided for in the 1990 appropriation?

Answer: A person was appointed to a one-year term position on January 1, 1990, to perform the computer analysis required for the design study. (Advertising will begin soon to fill this slot with a permanent appointment.) The position for antenna leader was filled on February 12, 1990. Recruitment for the electronic technician position is now in its last stages, with three candidates being interviewed for the final selection.

Question 87: What is the breakdown of the $746,000 included for the 12 new positions in 1991?

Answer: The 12 new positions requested for FY 1991 are listed below, with salaries and benefits for each position:

	$000's
Structural Design Engineer	76
Chief Programmer	76
Purchasing Agent	26
Digital Engineer	76
Secretary	26
Receiver Engineer /1	76
Research Associate	46
Site Manager	76
Site Planning Engineer	64
Programmer	64
Digital Engineer	64
Electronic Engineer	76
TOTAL	746

/1 Position was incorrectly described as Receiver Technician in the FY 1991 Congressional budget justification.

Question 88: What is the basis of the $36,000 increase requested for rental expense for these 12 positions?

Answer: SAO is requesting $3,000 per person annual rent. This figure is based on the average office and laboratory size and on the average current rental rate per square foot at SAO's Cambridge, Massachusetts, locations.

Question 89: On the table showing the total projected funding for this project of $32.4 million, why is the 1991 amount shown as $4.7 million when the request is $3.8 million?

Answer: The $4.7 million figure shown on page 90 of the budget submission as the FY 1991 amount is the total project funding for that year, including the personnel costs paid through the SAO line item. The $3.8 million pertains to that portion of the project requested as no-year funds in the Major Scientific Instrumentation line-item.

Question 90: With regard to the multiple mirror telescope, why is fabrication of the primary mirror cell not to begin until 1991, when it was planned for 1990 last year?

Answer: Our projection that the fabrication of the primary mirror cell could commence during FY 1990 was given prior to our having hired the consulting engineering firm responsible for designing the cell and optics support structure. In January 1989 the firm of Simpson, Gumpertz and Heger (SGH) of Arlington, Massachusetts, was hired to carry out a conceptual and preliminary design of these items. Their projections called for completion of conceptual design by September

1989 and preliminary design by May 1990. This schedule has slipped a few months. Following the completion of the preliminary design, several months will be required to produce engineering drawings before fabrication of any components can commence. Thus, fabrication of large mechanical components can not begin before FY 1991.

Question 91: Has this changed the way in which the funds provided in 1990 will be used? Provide details for the record.

Answer: No. All items listed for FY 1990 are still essential to the successful conversion of the MMT to a 6.5 meter telescope, and will be committed for these purposes when the design is completed.

Question 92: Are there any other reasons the date for completing the conversion has slipped to 1995, from 1994 a year ago?

Answer: The time required for the design of the mechanical structures for large telescopes is more uncertain than that required for the fabrication of those structures. When we provided late FY 1994 as our project completion estimate last year, the design process had not even begun. Now that the conceptual design is complete and preliminary design well underway, the projected completion date of early FY 1995 is, we believe, reasonably reliable, provided, of course, that no "snags" develop in the casting and polishing of the primary mirror.

Question 93: When do you expect to know what the contribution of the University of Arizona to this effort will be?

Answer: The University of Arizona will contribute the reflecting optics to the conversion project. The University has this past year been successful in securing funding which, overall, is allowing the completion of the casting and polishing machinery, as well as providing the operating expenses. However, the total cost of producing the optics for the MMT conversion is still quite uncertain. We hope to obtain a reliable estimate of this cost, and of the University's contribution, within the next two years.

Question 94: When will you have more precise cost estimates for the total cost, now estimated at $10.8 million (up from $10 million a year ago)?

Answer: The estimate in "constant dollars" of the upper limit to the total cost to the Smithsonian of the conversion project has not changed. This cost one year ago was given in 1987 dollars, as stated there and in our FY 1991 budget submission, on page 92. We updated this estimate to 1989 dollars, by allowing an overall inflation of 4% per year.

The most uncertain component of the cost estimate is that for casting and polishing the primary mirror. When those tasks are successfully completed, we should have a reliable cost estimate. The casting is now scheduled for February 1991, with polishing to begin eight months later.

SAO Space Rental Costs

Question 95: There is also an uncontrollable increase of $200,000 for rent.

What is the base amount for the two properties in Cambridge for which a total increase of $158,000 is requested?

Answer: The base amount in FY 1991, including the requested increase of $158,000, is $1,815,000, of which $926,000 is for 60 Garden Street and $889,000 for 160 Concord Avenue.

Question 96: How specifically were the amount of these increases determined?

Answer: We assumed that costs for "deferred" maintenance, and increases in operating costs, would continue at their present rates at 60 Garden Street, and that the cost per square foot at 160 Concord Avenue would, under the new lease, increase by $7, which represents only the cumulative effects of inflation under the present five-year lease.

Question 97: Why should Smithsonian funds be increased to rent additional space because SAO has been successful in winning four competitions for NASA funds? Shouldn't the contract funds include the costs of rental space?

Answer: The accounting method used at SAO for the past several decades apportions rent between Federal and Trust (predominantly contracts and grants) components, based on the total cost of SAO's rent and on the fraction of the space occupied by each component. Since the new space rental costs exceed the average of the present rental costs, the new average is higher than the old average. Thus, the cost of the Federal component of the rent increases when more space is rented for the Trust component, even though the square footage for the Federal component does not increase.

Question 98: What are the increases in Trust funds to be used for these three rental cost increases?

Answer: The increases in Trust funds to be used to cover these three rental increases are estimated to be about $470,000.

Necessary Pay for Smithsonian Tropical Research Institute

Question 99: P. 47. The request for the Smithsonian Tropical Research Institute is $6,457,000, an increase of $447,000.

Explain why the amount included for "necessary pay" is more than a 10% increase over the base, compared to 3-3.5% in other line items.

Answer: The increase for "necessary pay" was for a total of $341,000. This amount is broken down as follows:

Annualization of new FY 1990 positions	$243,000
Annualization of FY 1990 pay raise	33,000

FY 1991 pay raise (50% of a 3.5% pay raise for 3/4 a year)	49,000
Additional Workday in FY 1991	16,000
Total	$341,000

As shown in above detail, the annualization of new FY 1990 positions ($243,000) corresponds to over 71 percent of the requested increase for "necessary pay." This funding, along with 8.75 workyears, annualizes the partial-year funding approved in the FY 1990 budget for four positions for STRI's climatology initiative and nine positions for staffing requirements at STRI's new laboratory facilities on Barro Colorado Island.

Global Change Research at STRI

Question 100: The request includes 2 workyears and $106,000 for global change research.

How much of the base funding and staffing is currently devoted to this overall effort?

Answer: In FY 1990 STRI received 4 positions and $262,000 in new funding for global change research. STRI invested approximately $1.7 million and 18 FTE's in FY 1990 from existing base resources in research related to global change.

Question 101: Provide a breakdown of the $51,000 in lapse funds needed for equipment, supplies and travel. What kind of travel is anticipated?

Answer: The lapse funds will be used to relocate the scientist from his or her home base to Panama, and to pay for the purchase of equipment and supplies for the scientist to set up a research program at STRI. Relocation costs include air travel for the scientist and immediate family and costs for moving household goods. These costs vary depending on family size and home base, but average approximately $20,000.

The remaining funds would be available for the scientist to purchase necessary equipment and supplies. The specific items needed will vary with the specific research program of the scientist. Typical items that most new scientists would purchase (with cost estimates) include a low-power microscope ($6,000), a scientific computer system ($8,000), an electronic balance ($4,000), and photographic equipment ($2,000), with associated supplies.

In addition, the scientist will require various specialized types of field and laboratory equipment costing many thousands of dollars. The funds we will have available from the $51,000 would be unlikely to cover the total set-up costs, and we will need to find other sources of funding to cover the difference.

STRI must hire a first class scientist in order to perform top-quality research in global change. The availability of adequate set-up funds is essential if STRI is to be competitive in attracting such a scientist for this position. STRI will be competing with major research universities for a limited pool of prime candidates. Such universities typically offer at least $50,000 in set-up funds to new scientists. Because of National Science Foundation rules, STRI scientists do not have regular

access to potential funding from that agency, and funding must be provided by the Institution for the aforementioned costs.

Floating Laboratory

Question 102: The Construction budget includes a request of $1,550,000 for the floating laboratory at STRI. The 1990 appropriation allowed funds for planning the ship, and asked STRI to review if cost savings were possible.

What would be the expected higher maintenance and fuel costs over the expected life of the ship, if an all-steel hull were used instead of aluminum? How do these costs compare to the expected savings of $200,000?

Answer: Annual maintenance of the Floating Laboratory as designed is estimated at $30,000 per year. Experts familiar with maintenance of both aluminum and steel designs state that costs will be at least 50 percent higher ($45,000) with steel. The annual fuel cost estimate with aluminum construction is $60,000. Steel would cost 15-19 percent more ($70,000). The annual fuel and maintenance costs would therefore be at least $25,000 higher with steel than with aluminum. Assuming a typical design life of 20 years, this amounts to a total difference of at least $500,000 at 1990 prices, which is more than twice the difference in construction costs. This figure does not reflect the difference in usable life of a steel versus aluminum vessel beyond the design life. Aluminum vessels typically have a longer useful life than steel vessels.

Question 103: Dr. Hoffmann's letter indicates the estimated cost (without any of the possible cost savings) could be $1.8 million. If this is the case, and $1.55 million is appropriated, how would you make up the difference?

Answer: The costs and sources are as follows:

Construction cost	$1.8 - 2 million
Appropriation request	$1.55 million
Difference	$250,000 - 450,000

Sources of funding to make up difference:

FY 1990 planning appropriation	$100,000
Reprogrammed Galeta construction funds	$100,000
Sale of R/V Benjamin	$ 50,000
Other (if necessary)	$200,000

To make up the difference, STRI would use the $100,000 left from the FY 1990 planning appropriation of $150,000 and would reprogram $100,000 from the construction appropriation for Galeta. STRI would also anticipate the application of funds from the sale of the R/V Benjamin, a private gift valued at $50,000. If construction costs exceeded $1.8 million, STRI would absorb them. STRI would not request additional Federal funding for this construction.

Galeta costs can be reduced because planned U.S. Navy construction in the area will lower construction costs for utilities support. The money obtained from sale of the Benjamin would be used to purchase electronics for the Floating Laboratory. The sale could therefore be delayed until after the construction of the new vessel was completed, thereby minimizing the time during which no vessel would be available. STRI will also absorb the cost of inspection during the construction of the vessel.

Question 104: Is the planned length of the ship 90 or 100 feet?

Answer: The overall length is 100 feet, and the length at the waterline is 84.5 feet. The effective deck length is approximately 90 feet.

Question 105: What are the expected operational and maintenance costs of the ship, and how would these costs compare with current operational and maintenance costs for the ship being used? Provide a breakdown for the record.

Answer: The STRI Facilities Master Plan originally called for construction of three marine facilities: a new facility at Galeta, a new station in San Blas, and an Atlantic Laboratory at a site to be determined. Subsequent study and search for an appropriate site for the Atlantic Laboratory showed that all potential sites that were biologically appropriate suffered from severe logistical problems with maintenance and supply. STRI therefore chose to make the Atlantic Laboratory mobile. This Floating Laboratory will replace the current research vessel, R/V Benjamin, and will avoid the logistical problems associated with a land-based facility. Moreover, it will permit access to a far greater number and variety of research habitats on both the Atlantic and Pacific coasts. It will do this at operating costs considerably lower than those of a land-based laboratory.

The Floating Laboratory will have higher maintenance and operating costs than the R/V Benjamin, but these will be partially offset by other savings. The expected net increase of $176,400 remains substantially less than that anticipated for a land-based Atlantic Laboratory. STRI originally estimated those costs at more than $400,000 annually.

Comparison of Operational and Maintenance Expenses

Item	Current (Benjamin)	Estimated (New Vessel)
COSTS		
Salaries and Wages	2 FTE $72,300	5 FTE $215,000
Fuel and Lube Oils	6,500	60,000
Food	6,000	10,000
Insurance	2,600	5,200
Stores and Miscellaneous	4,100	20,000
Travel	5,000	5,000
Shore Facilities Support	32,000	22,000
Repairs and Maintenance	16,300	30,000
OFFSETS		
Bunkering of San Blas		(5,000)
User fees and charges	(18,000)	(59,000)
TOTAL	$126,800	$303,200
NET EXPECTED INCREASE	$176,400	

The R/V Benjamin has a crew of two. The new vessel will need a crew of five (captain, marine engineer, first mate, oiler/deck hand, and seaman). The new vessel will be larger and faster, thus increasing fuel consumption several-fold. Food and insurance will increase with the number of people carried. The new vessel will have a far greater capacity for research and more ship's needs and will therefore require

substantially more stores. The increased need for shore facilities support from STRI personnel will be somewhat offset by the hiring of a marine engineer for the vessel. The new vessel will be able to bunker the new San Blas station with fuel, thereby saving on commercial purchase and transportation charges. Fees will also be increased, and we anticipate greater use by fee-paying scientists.

Question 106: Would it be possible to downsize the ship, and assume a smaller crew, and smaller number of scientists on board per trip? What impact might this have on the cost estimates? What would be the programmatic impact?

Answer: Downsizing the vessel has been considered by STRI and rejected as a viable option for reducing construction and operating costs. Specific estimates for reduction in construction costs are not available because they would require an additional design study for the vessel and would depend on the size being considered.

Downsizing could not be achieved at a cost savings without significantly compromising design characteristics of the new vessel. The specific compromises would depend on the degree of downsizing being envisioned. The more downsizing that occurred, the more the new vessel would resemble the current vessel rather than the planned Floating Laboratory. The extent of such compromises is shown in the table below by comparing the capabilities of the Floating Laboratory with those of the current vessel, R/V Benjamin. Starred (*) characteristics are those that would be most adversely affected by downsizing the new vessel.

Capability	R/V Benjamin	Floating Laboratory
*Range	1,000 miles, coastal only	4,000 miles, open sea
*Trip duration	20 days	40 days or more
Maximum number of scientists	7	10
SCUBA support	Compressor only	Full dive locker
*Trawling	No	Yes, with A-frame
*Dredging	No	Yes, with A-frame
*Bottom coring	No	Yes, with A-frame
General wire work	Limited	Full capability
Small boats	One	Two
*Wet lab	None	225 sq. ft. tanks, running seawater, sinks, storage
Dry lab	None[1]	200 sq. ft., benches, storage, ice, sinks, A/C
*Scientific store	On open deck and in cabins	Ample in covered hold and cabinets designed for purpose
*Ships store	Open deck and household refrig.	Ample in space designed for purpose
*Working deck space	80 sq. ft. or less if fully loaded	500 sq. ft. when fully loaded
Potable water	500 gal., no desalination	1,500 gal., 1,000 gal/day desal.
Safety	Not built-in	Systems designed-in
Stability	Poor, esp. when fully loaded	Excellent to sea state 4

Position holding	Poor	Excellent with bow thruster
Maneuverability	Poor for sampling	Excellent
Electronics	Adequate nav/com, poor scientific	Excellent for both
*Speed	6-8 naut. miles	9-12 naut. miles

[1] Currently, scientists must use the common dining area for work with specimens. This practice is potentially unsafe because of the need to use toxic chemicals in the preparation and handling of many specimens.

A reduction of 10 feet in length would reduce space on the first deck and below by at least 900 square feet (assuming equal reduction in beam), with probable elimination of the A-frame, the wet-lab, much working deck and storage space, and fuel bunkering capability. Thus, many of the superb capabilities of the designed vessel would be severely compromised by downsizing.

As stated in the Concept Design Study, the planned use of the Floating Laboratory as a major research tool in STRI's global change and molecular evolution research programs depends on these capabilities. For example, bottom coring is necessary to obtain the paleontological samples needed to study past climate change. An extended range and wet-lab are necessary to perform regional comparative studies in both biological monitoring and molecular evolution. The Floating Laboratory as currently designed will give STRI a unique research capability in a region of major significance for research on global change, biological diversity, molecular evolution, and related issues.

STRI Needs Related to Change of Government

Question 107: As a result of the military action and change of government in Panama, STRI has identified certain immediate and longer term needs, such as increased game wardens, equipment, guards, security measures, environmental education, etc.

Has the Institution been able to respond to any of these needs?

Answer: The Institution has been able to respond to a small part of these needs on a temporary emergency basis. Two additional game wardens have been hired temporarily for the Barro Colorado Nature Monument (BCNM) for the remainder of FY 1990. No funds are currently available to retain them in FY 1991, but additional game wardens have been requested for FY 1992. Emergency funds are also being used to fund part of the need for additional fencing. This need will become critical once Ft. Amador, where our Naos facilities are located, is reopened to the public. STRI is also upgrading its radio communications system, which is an essential link in the security and safety of its personnel. The Institution also used emergency Trust funds to pay for emergency evacuation and travel during the invasion and its aftermath.

Question 108: Now that several months have passed since the changes, have the estimates of need been refined or revised?

Answer: We continue to have substantial short-term and long-term needs in protection of research areas and reserves, in security, and in host country

relations. An updated description of the most pressing of these needs is given below.

Protection. The forests and coral reefs of Panama provide areas of research for our resident and visiting scientists, and they are essential, rich sources of biological diversity, the protection of which is of global importance. Adequate protection of these areas involves policing, education, and research to develop alternatives to destructive environmental practices.

STRI currently has 13 permanent game wardens. Each warden works a standard 40-hour week. Since a week has 168 hours, each unit of a twenty-four hour, seven-day-a-week patrol requires 4.2 FTE. With 13 game wardens, STRI can provide only three units at a time for around-the-clock patrol of the 12,000-acre Barro Colorado Nature Monument (BCNM) with its miles of shoreline and land borders where poachers can enter.

STRI urgently needs eight additional game wardens (8 FTE and $160,000 plus $40,000 in operating expenses). Four wardens will be used to provide an additional unit for around-the-clock patrol at the BCNM and four will be used to provide a unit for around-the-clock patrol at our Culebra Island reserve in Fort Amador, which was formerly protected by the Panama Defense Forces.

To develop educational and research programs in conservation, STRI needs a bilingual conservation biologist and two support positions (3 FTE and $104,000 plus $140,000 for research support and to develop training programs for Panamanian resource managers and educators). The conservation biologist will work with STRI's Office of Education and Conservation to develop a research program in forest conservation as well as training programs for park managers, rangers, and game wardens from Panama and other Latin American countries, and Spanish-language educational materials and programs for primary and secondary schools.

The destruction of the Panama Defense Forces and the low level of resources available to the new government have left Panama's remaining forests in considerable danger. Dr. Stanley Heckadon, the director of Panama's natural resources agency, has estimated that 150,000 acres of Panamanian forest have been lost to slash and burn practices since the U.S. military action in December. U.S. activities and influence in Panama give our Nation a special responsibility to help Panama in the conservation of its natural resource base. Time is short, and the needs described above cannot wait if the forests are to be saved.

Security. To protect our widespread facilities and personnel from potential harm resulting from the decreased police powers of the Panamanian state, STRI must enhance its own security operations. The need includes administrative support and operating expenses for the Security Officer (1 FTE and $20,000 for a clerk-typist plus $26,000 in equipment and operating expenses), as well as funding of contract guard services ($428,000) for use at various STRI facilities. A portion of the contract guard services are already in place as a result of the political unrest of the past several years. The Office of Protection Services now spends $202,000 annually over their base amount for STRI security. The shortfall in funding contract guards at STRI is part of the overall shortfall in the funding of guards at the Institution.

Host Country and International Relations. Under the former military government, authority and decisions came through a single channel. With the switch to a democracy, STRI needs to deal separately with various ministries and with the Panamanian National Assembly. In addition, the change in government is

leading to markedly increased requests and opportunities for STRI involvement with other Latin American countries. These changes require that STRI enhance its Office of International Affairs with a program coordinator for international activities, a public affairs specialist, and an additional clerk-typist (3 FTE's and $88,000 plus $50,000 for equipment and operating expenses).

Question 109: What was involved in the emergency evacuation and travel costs which were incurred during the military action? What funds were used for this purpose?

Answer: Due to uncertainty following the invasion, STRI decided to evacuate from Panama twenty-five U.S. citizens and dependents and nine third country nationals who had concerns about personal safety or lived in areas which were not secure. The U.S. citizens were evacuated by the U.S. Military Airlift Command through Howard Air Force Base and the third country nationals through similar airlifts provided by their country of origin or via commercial airlines. Those that were evacuated to the United States arrived at military bases and had to travel home by commercial carriers within the U.S. Most of those evacuated subsequently returned to Panama via commercial carriers.

The total cost of transportation for evacuation and return travel to Panama was $30,000. This was paid utilizing funds advanced by the Institution in the emergency. STRI also incurred additional costs amounting to approximately $170,000 in emergency funds in order to reinforce security for its personnel and installations, purchase arms for its game wardens, provide firearms training, and to purchase emergency supplies at the time of the invasion for those not evacuated.

Global Change Research at SERC

Question 110: P. 54. The request for the Smithsonian Environmental Research Center is $2,071,000, an increase of $199,000. Included is $150,000 and 1 workyear for global change research.

Have the 2 engineers been hired to initiate the joint research project with STRI, for which funds were provided in 1990?

Answer: Funding for these positions was budgeted for the last half of FY 1990. The positions have been advertised and SERC is currently interviewing candidates. Hires are imminent.

Question 111: What is the impact if you are not able to hire a modeler to manage and analyze the data base connected with this research?

Answer: SERC would be unable to analyze data quickly to spot problems and give guidance to efficient collection of future data. The addition of the modeler allows SERC to maintain a reasonable balance between resources for data collection and data management/analysis.

Question 112: What exactly is involved in the upgrading of the computer system, and what are the estimated costs? What is the impact if these funds are not provided?

Answer: The upgrade and estimated costs are as follows:

In FY 1991, $70,000 would be used to replace the eight-year old central minicomputer. This new model will provide more than four times the processing power and twice the disk storage of the present system.

In FY 1992, continuation of this level of funding will allow SERC to acquire relational data management software for the central minicomputer ($30,000) and for ten microcomputer work stations ($40,000).

In FY 1993, SERC would use $50,000 to continue to upgrade computer peripherals -- five microcomputer work stations for staff and automated laboratory equipment ($20,000); and replacement of plotters, line printers, and digitizers ($30,000). SERC would also upgrade its local computer network to provide high-speed communication between all the scientific work stations and the central minicomputer ($20,000).

In FY 1994 and following years, SERC will require $70,000 level funding to maintain this computer, the local network, and the approximately 50 peripherals in the network.

Recent staff growth and rapidly increasing demand for electronic data processing have already strained SERC's obsolete computer facilities, so an upgrade is necessary to meet the demands of new staff, new projects, and increased commitment to modeling arising from the Global Change Program.

If funding is not provided, data acquired in the Global Change Program will not be utilized efficiently and data will not be readily available to other global change research groups.

Protection of Rhode River Watershed

Question 113: The March newsletter to the Regents indicates SERC has contracted with the Trust for Public Land to help with a plan to protect 2,000 additional acres of the Rhode River watershed.

When do you expect to have this plan developed?

Answer: The plan is expected to be developed by the end of FY 1990. A preliminary draft of the first phase plan was received from the Trust for Public Land on April 27, 1990.

Question 114: What are the possible actions the plan might address?

Answer: The draft of the first phase of the plan divides the watershed into three sectors, describes all critical land parcels, estimates their fair market value and sets priorities for various parcels.

The protection plan outlines an array of mechanisms to conserve the watershed land at costs appreciably lower than the fair market value. Mechanisms for protecting the undeveloped sections of the Rhode River watershed range from donation of land to the Smithsonian to outright purchase, and from establishment of state legislated agricultural covenant and conservation easements to provisions for lifetime estates and resale of improvements. Detailed options are recommended

for each parcel, and an outline of the overall plan (including costs, schedule of actions, public campaign, and legal analysis) is provided.

This plan estimates that the conservation will cost from eight to twelve million dollars. If these properties were to be purchased outright at development prices, the cost would be approximately 35 million dollars. Because developers are already moving rapidly on to the Rhode River watershed, it is critical that this protection plan be implemented quickly to conserve the value of the site for research, agriculture, and historically valuable open space.

Genetic Resources Bank

Question 115: P. 58. The request for the National Zoo is $15,391,000, an increase of $495,000. In addition to the increase of $75,000 related to migratory songbirds discussed earlier, there is an increase of $25,000 for lab supplies for the Genetic Resources Bank.

What amount is in the base for supplies for the Bank?

Answer: There are no funds in the base for supplies for the Genetic Resources Bank. The Bank now shares equipment and supplies with the Reproductive Physiology Program.

Question 116: Will this requested increase be continued in the base in future years?

Answer: Yes, this increase will establish a permanent funding base of support for this program.

Reintroduction of Guam Rail and Black-Footed Ferret

Question 117: The Zoo is involved in animal conservation and propagation, including work on endangered species such as the black-footed ferret and the Guam rail and Guam kingfisher.

How successful has the reintroduction of the Guam rail onto the island of Rota (Northern Marianas) been?

Answer: A total of 22 rails have been released on Rota thus far: 6 in mid-December 1989, and 16 in early February 1990. Of the 22 birds, 13 have been lost to a variety of causes, including cat predation, vehicle collisions, pesticide ingestion, and starvation resulting from a failure to adapt to wild food sources. Two birds are being followed on a daily basis via telemetry, but the fate of the remaining 7 birds is unknown due to the failure of their radio-transmitters. Periodic sightings, however, suggest that at least some of these 7 birds still survive. Personnel from the University of Tennessee, the Guam Division of Aquatic and Wildlife Resources, and NZP are now reviewing results, and will be designing appropriate modifications in procedures for future releases.

Question 118: A research paper prepared by staff of the Zoo and Fish and Wildlife Service discusses Federal prairie dog eradication programs, including on

Federal and Indian lands, and the impact these programs have had on the black-footed ferret.

If no changes are made in prairie dog eradication programs, what impact would you expect this to have on reintroduction of the ferret in 1991?

Answer: Prairie dogs are the main food of black-footed ferrets; without substantial populations of their prey they cannot exist. The recent extinction of black-footed ferrets in the wild is a direct result of the prairie dog eradication programs. Continuation of these programs may not affect the experimental reintroduction planned for 1991 because the reintroduction site has not been poisoned for some time. But continuation of prairie dog eradication will certainly impact adversely on U.S. Fish and Wildlife Service attempts to establish a viable wild population (at least 1500 adults spread over the original range) by the year 2010. Eradication programs have reduced prairie dog geographic distribution by 98 percent, and it is now difficult to find enough prairie dogs in one place to support even a small (20-100 adults) ferret population.

Question 119: Where will the reintroduction take place?

Answer: The first reintroduction will take place west of Meeteetse, Wyoming.

"Wildlife Friendly" Livestock Ranching Proposal

Question 120: Has the Zoo discussed this paper's proposal for "wildlife-friendly" livestock ranching with Federal agencies such as BLM and the Forest Service which have significant range programs?

Answer: NZP's Associate Director for Conservation and a Smithsonian Postdoctoral Fellow studying ferret reintroduction biology at the Zoo's Conservation and Research Center have discussed the proposal with individual Forest Service biologists working at Buffalo Gap National Grasslands in South Dakota and with BLM biologists in Malta, Montana. Both areas are potential black-footed ferret reintroduction sites. The biologists thought that their lessees would accept the incentive not to poison.

Question 121: Do you know if the Fish and Wildlife Service has considered implementing the suggestions in the paper?

Answer: No. But the head of Region 6 Enhancement is in charge of the black-footed ferret program. He should be contacted about the United States Fish and Wildlife Service's position, but he favors the proposal as a tactic to preserve biotic diversity in the prairie dog ecosystem.

Tropical Science and Global Environmental Science Gallery

Question 122: P. 269. The request for construction and improvements at the Zoo is $6,671,000, an increase of $171,000. Included is $3,000,000 for a tropical science and global environmental science gallery, Phase I.

Has this always been included as part of the planning for the Amazonia exhibit, or is it an addition to the original plans?

Answer: Yes, the concepts contained in the gallery were always part of Amazonia. They were originally contained in separate elements of the habitat building and its introductory and exit walkways. The walkways and introductory exhibits had to be eliminated as the scale of the project was reduced by the elimination of a canopy level access. At this stage, the gallery became a natural extension of the habitat portion of the Amazonia exhibit. It results in an economy in scale, and telescopes the former "Living in Water" exhibit into the gallery. By linking construction times, it minimizes site-dislocation and the expense of multiple use of the construction site.

The continuing evolution of the Amazonia exhibit increased the complexity and diversity of its aquatic component. As a result, feacures of "Living in Water" and "Aquatic Habitats" were merged into a single Aquatic Program. Reduction in scale and combination means that they can be advanced in time. One feature of Amazonia has been strengthened and focussed as our designs evolved. This is the Gallery that will highlight the interconnectedness of tropical systems, aquatic and terrestrial; emphasize the wonderful small scale diversity of tropical biology; show how science works to elucidate global problems; and highlight the significance of the tropics in global change problems. It will be a major educational and explanatory cross-reference point for the research programs of the three Smithsonian bureaus that have significant tropical commitments (Smithsonian Tropical Research Institute, National Museum Natural History, National Zoological Park). Because the Gallery addresses urgent contemporary problems that are now the focus of national and international attention, the Zoo proposes to fund it as part of the overall Aquatic Program. These mergers and refinements will fulfill the original programs both more economically and more expeditiously.

Question 123: Will all funding for this project be Federal?

Answer: The majority of the funds will be Federal. The Zoo plans to supplement the exhibit with private funds for educational programs and literature, and hopes to fund specific exhibits within Amazonia Gallery with private funds.

Question 124: Is the design complete? If not, when will it be?

Answer: The design for the building is expected to be complete within the next month. The Zoo plans to use $200,000 of this appropriation to design the interior exhibits.

Question 125: How was the estimate of $3 million derived?

Answer: The estimate of $3 million consists of three components. The current estimate of the construction of the Amazonia Gallery building and the installation of the fittings for flexible gallery space is $1.7 million. The estimated cost of installing some of the simpler exhibits is $1 million. Finally, the FY 1991 request includes $300,000 to design the more sophisticated exhibits, with funding to produce and install these more sophisticated exhibits to be request for FY 1992.

Question 126: How exactly will the exhibit space be used?

Answer: The Amazonia Gallery will highlight the biological uniqueness and interrelatedness of the rainforest and aquatic ecosystem. It will focus on three topics: 1) the extraordinary biological diversity and the complexity of interactions characteristic of rainforests and tropical rivers: 2) an exploration of the way science works, highlighting recent exciting breakthroughs in our understanding of rainforests; and 3) environmental events.

Question 127: What will be included in the $1.7 million you plan to request in 1992 to complete the project?

Answer: The 1.7 million, together with private supplemental funds, will complete the exhibitry in the Amazonia Gallery. This exhibitry will be very high technology including, we hope, real-time satellite imagery of weather and environmental patterns in the Amazon basin.

Question 128: There is also $300,000 for design of a Hall of Humankind, to replace the Monkey House.

Why is this your highest priority among remodeling projects?

Answer: The project has high priority because the existing Monkey House is unsatisfactory from the point of view of animal welfare, zoo exhibition, and public education. It was built in 1906 and although it has been remodeled and is structurally sound, it represents an obsolete "stamp collecting" philosophy of zoo exhibition. The outdoor cages are barred and unsightly, and not suitable for public enjoyment. The Smithsonian proposes to remove the old outdoor caging, and convert the building to an exposition of the origins, biology and cultural attainments of our own species by using analogues from living non-human animals, e.g., language-capable apes. It would complement the National Museum of Natural History's Hall of Man by exhibiting a wide range of <u>living</u> organisms.

Question 129: What is the basis for the estimate of $300,000 for design costs?

Answer: The preliminary estimate of the cost of the renovation is $3,000,000. Architectural design was estimated at 6 percent, and program design at 4 percent (there will be many innovative electronic interactive stations), yielding an overall design estimate of 10 percent ($300,000).

Zoo Construction

Question 130: There is also $1,871,000 for renovation and repair projects at Rock Creek.

Why is an increase of more than $400,000 over the 1990 level necessary?

Answer: In order to make the Zoo handicapped accessible, and to protect public and employee safety, each renovation must now include additional handicap and safety features. For example, when reroofing a building we may also widen its public entrances, and add lighting and handrails. When renovating restrooms,

special fixtures and doorways for wheelchair-confined people are added, and special tables for safe diaper changing are installed. This has added about 25 percent to the cost of renovation projects. We are also experiencing an annual inflation rate of 5 percent in construction costs.

Question 131: Provide a breakdown of the projects planned in 1991, and any changes to the plans for the 1990 funds.

Answer: In 1991 we intend to re-roof the Reptile and/or Bird House, sustain ongoing HVAC and tree maintenance, renovate eroded animal yards, redecorate the interior of the Panda House, extend alarm systems, replace doors on the Panda House, Reptile House and Australian Pavilion, upgrade interpretive signage, and renovate the lobby, auditorium and HVAC system of the Education/Administration Building.

In 1990, of the six projects specifically mentioned in the budget request, the HVAC work ($355,000) and portions of the rockwork ($50,000) were completed. The Reptile House roof has been partly repaired. The roofs on the Panda Building and the Delicate Hoof Building were found to be in more serious disrepair than those listed in the budget request and are being given priority in FY 1990 (about $175,000). The Hardy Hoof area was cited for deficiencies by the U.S. Department of Agriculture animal welfare inspectors; funding for renovation was reprogrammed and work should begin by early Fall ($350,000). The feed water tanks of the Zoo's central heating system were found to be corroded; funding for replacement was reprogrammed and the work will begin within a month, May 1990, ($105,000). Entrance doors on three buildings were replaced for handicapped accessibility and security ($25,000). Fire alarm, security and surveillance systems were installed or renovated ($60,000). The Komodo dragons unexpectedly began laying eggs in their adolescence, requiring us to expand their building and yard ($100,000). Routine tree maintenance for visitor safety and tree health costs $40,000 annually. The road leading to the new Animal Hospital and the renovated Research Building needed to be repaved ($87,000). The remainder of the R&R funds are allocated for interior painting and small projects (i.e.: with project costs of less than $10,000).

Question 132: At the Conservation and Research Center, there are requests of $600,000 for water systems, $100,000 for road improvements, and $800,000 for renovation and repair projects.

How does the repair project included in the $800,000 request relate to the $100,000 requested for improving the road system?

Answer: The road repair included in the general $800,000 R&R request is for superficial grading and patching of primary and secondary roads which must be done annually simply to keep up with deterioration caused by traffic and weather. The $100,000 requested specifically for road improvements would cover fundamental rebuilding of primary roads.

Question 133: Why is an increase of $200,000 for renovation and repair projects over last year's level needed?

Answer: The increase of $200,000 is for a combination of things, such as new technology, modernized animal handling techniques and inflation. The Conservation

and Research Center is experiencing explosive growth in international training and conservation research programs. Aging buildings are being used more intensively and in increasingly sophisticated ways. For example, formerly simple electric and telephone systems in labs must now accommodate international computer links and heavy duty freezers with automatic alarms. All housing and lab and office space will now be handicapped accessible. The Zoo is experiencing about 3 percent annual inflation in construction costs in Virginia. These factors combined account for the increase.

Question 134: How is the project to install nonslip flooring in the Veterinary Hospital related to the similar project for which funding was requested in 1990?

Answer: New flooring was installed in the ungulate holding stalls and ungulate quarantine and treatment areas of the Veterinary Hospital in FY 1990. The FY 1991 request is to install the same flooring in the wards, surgery, intensive care unit and some hallways that are used for animal transfer.

Question 135: Provide a breakdown of the projects planned for 1991, and any changes to the plans for 1990 funds.

Answer: The major projects planned for FY 1991 are to construct weather protection sheds for year-round use of three additional pastures by cold-sensitive ungulates ($120,000), renovation of sheds, fencing, and water and electrical systems in an area holding winter-hardy birds ($165,000), upgrading of corrals in two barns to allow safe loading of nervous ungulates ($90,000), renovation of two buildings for an expanded, modern commissary ($260,000), scheduled replacement of fencing ($35,000), and renovation of one small building for laboratory/office use ($60,000). The balance is held for emergencies and contingency.

Of the seven specific projects mentioned in the FY 1990 budget request, the Small Animal Facility work, the Veterinary Hospital work (some flooring deferred to FY 1991 and replaced with soffit repair to the Hospital), the supply building work, the Meade Barn work (sheds deferred to FY 1991 and replaced with more critical roof replacement), and fencing work have been completed or obligated. Building No. 28 was renovated as lab/office space instead of building No. 32 because of discovery of active termite infestation in No. 28. Only one ungulate shed was constructed; deteriorating pools in bird yards were repaired instead.

Brittle Book Program

Question 136: P. 72. The request for SI Libraries is $5,571,000, an increase of $108,000.

What is the status of hiring library technicians for the brittle books program funded in 1990?

Answer: The Smithsonian Institution Library staff is currently reviewing the applicants for two of these positions and expects to have the library conservation specialist position and one of the library conservation technicians on board by June 1990. The remaining two library conservation technician positions will be advertised and selection is expected by September 1990.

Conservation of Library and Archival Collections

Question 137: In the introductory section of the budget, one of the backlog items identified is a need of over $6 million for conservation of library and archival collections. Have funds been requested internally to begin to address this need?

Answer: In the past, funds have been requested internally to begin to address the conservation of library and archival collections. However, in years prior to FY 1991, funds for preservation and conservation were subsumed under more general S&E requests, and it is not possible to identify or quantify them. For example, in FY 1988 the Smithsonian Institution Library redirected a position to hire a preservation administrator, who is establishing policies and procedures for a preservation microfilming program.

As a result of the House Subcommittee's request last year, the Institution identified an additional funding requirement of $713,000 for the first phase of a gradual approach to coping with growing documentary research resource deterioration problems: $162,000 for brittle books; $151,000 for a planning administrator and three technicians to assess the conservation needs of more than a dozen archives and documentation centers within the Smithsonian; and $400,000 for a series of "triage" conservation projects to clean, deacidify, repair, encapsulate, or otherwise treat some of the worst-case and more valuable items.

During Congressional Action, $113,000 was provided in FY 1990 for the conservation and preservation of brittle books, including the partial-year funding of the four positions required for the program. (The additional funding to annualize these part-year personnel costs ($21,000) is included in the FY 1991 budget request). No funds were provided for the planning administrator and technician, or for the documentary research resource program.

International Environmental Science Program

Question 138: P. 78. The request for the International Environmental Science Program is $920,000, an increase of $142,000.

What is the impact of the recent fires in Brazil on the golden lion tamarin recovery project?

Answer: The recent fire in the Poca das Antas Reserve in Brazil decimated about 2,000 acres of young regenerating forest that in 20 years would have provided suitable habitat for an additional 200 to 300 golden lion tamarins. However, only about 5 acres of developed forest burned, and none of the 350 wild or 55 reintroduced golden lion tamarins were affected. The fire has caused the Institution to take even more seriously the vulnerability of a small reserve to disaster, and has stimulated it to take steps to protect animals, people, and the Program's seven-year investment of time and resources in emergencies. For example, the Institution will widen all firebreaks and write training plans that stipulate responses of all Smithsonian project personnel to different types of emergencies. The Smithsonian Institution is also seeking private funding of $65,000 in one-time emergency costs to buy radio and telephone communications systems, build fire towers and buy an additional four-wheel drive vehicle for off-road use in emergencies.

Question 139: There is an increase of $134,000 and 2 workyears for global change research.

How is the research conducted through this program coordinated with SERC and STRI?

Answer: STRI and SERC each support global change research under the International Environmental Sciences Program (IESP) and bureau funds. The individual projects supported are bureau-specific, but scientists at each bureau are encouraged to collaborate. At STRI, most projects are generated by staff or visiting investigators within the guidelines of the IESP. Projects are reviewed annually by a standing committee and all are also subject to external review by independent scientists working outside the Smithsonian. Coordination of the programs is done mostly at the working level by individual scientists performing investigator-generated studies. At the programmatic level, coordination involves planning discussions and implementation by the bureau directors and their designates.

Currently, SERC scientists are performing collaborative research at STRI on the plant physiology of greenhouse gases, with the STRI contribution supported outside IESP. SERC scientists are using the International Forest Dynamics Project at STRI, supported by IESP, as a model for the establishment of a comparative long-term study of forest dynamics at SERC. The two bureaus are also developing a joint program for the development of forest canopy access systems, a major scientific instrument to study forest canopies at each site. Once these systems are in place, IESP is expected to support canopy studies at each site.

Question 140: What is the specific need for which an additional environmental engineer is requested?

Answer: STRI currently has no environmental engineer. With the expansion of its monitoring program and the increasing need for high quality physical data relating to global change, IESP needs an environmental engineer to oversee the installation, running, and maintenance of its current monitoring stations at Barro Colorado Island and Galeta; the proposed San Blas monitoring installation (requested for FY 1991); and planned fucure sites, such as the Pacific marine station at Naos Island, and the cloud forest station in Fortuna. In the past, existing monitoring stations at Galeta and Barro Colorado Island have been run separately, by individual scientists who are not engineers. With the increasing amount of monitoring conducted by IESP at STRI, this approach is no longer feasible. The environmental engineer will permit these scientists to spend full time on their research and enable the Program to integrate fully the physical monitoring programs at its different sites across the Isthmus, which is an important region for understanding the relative importance of natural and anthropogenic phenomena in generating global change.

Question 141: How will the activities of the data manager for which $57,000 is requested be different from that of the ecosystem modeler requested by SERC? How different are the data bases which they will be managing?

Answer: The new data manager will process data from the monitoring studies of the International Environmental Sciences Program (IESP) at STRI. IESP currently has no data manager for the program. The individual will not perform modelling. The position is essential because the Program is developing a large

backlog of unprocessed monitoring data at its STRI site, especially in the marine physical monitoring program. Incoming data are partially processed on a voluntary basis by an employee of the Oil Spill study, but the lack of a manager prevents STRI from using much of this information for its global change research program. The new manager at the Program's STRI site will process information on tide level, wind speed and direction, rainfall, sea and air temperature, solar radiation, and salinity. The data will be from the monitoring station at Galeta, the one currently requested for San Blas, and planned future sites at Naos and the Pearlas Islands. The manager will process the data into a form usable by STRI resident and visiting scientists, will make it available to the scientific community, and will perform standard and requested analyses.

The ecosystem modeler at SERC will manage and analyze data on temperate agroecosystems and the estuary that receives waters from the ecosystem watersheds with the goal of synthesizing these data with models to arrive at regional evaluations of global change issues.

The data bases often contain similar or identical parameters with respect to physical and chemical variables but contain vastly different parameters with respect to biological parameters.

The two bureau programs are being coordinated to assure maximum possibilities for direct comparisons between temperate and tropical regions. The sheer volume and complexity of the programs, as well as the great geographic distance between the Program's Panama site and SERC's Edgewater, Maryland site, will require the provision of this data management capability at each site.

Question 142: What exactly will be involved in the expanded monitoring program at the San Blas station?

Answer: The requested amount will permit the International Environmental Science Program to purchase one set of monitoring equipment for San Blas to measure tide level, wind speed and direction, rainfall, sea and air temperature, solar radiation, and salinity. A large proportion of the Program's marine research is performed in San Blas, and it currently has no ability to measure any of these key physical phenomena. The availability of these data at Barro Colorado Island and the Galeta Laboratory have proven of enormous benefit to the Program's scientific programs, as well as providing critical data of relevance to global change.

Question 143: What is the estimated cost of the upgraded computer system?

Answer: We estimate that the upgrade will cost $15,000 to $20,000. The remainder of the $58,000 in lapse funds will be used to purchase the monitoring equipment for San Blas.

Question 144: How old is the existing system? What will the upgraded system provide that is not now available?

Answer: The computer system upgrade will be used to improve the management of data generated by current and planned monitoring in the International Environmental Sciences Program. It will do this by providing a new, more advanced computer to supplement the current system, which is used for both physical and

biological data and is close to capacity because of the years of data that are contained on its hard disk. The upgrade will provide greater speed, at least double the memory, adequate storage and back-up, and enhanced printing capability.

The Program intends to purchase a "386" or "486" high-speed computer with 4-6 megabytes of RAM, a hard disk of 300-600 megabytes for holding and processing data, a data storage and back-up system for the computers, and a laser printer for graphics production. The high-speed processor has the speed necessary to perform the elaborate operations required in managing a large database. The large RAM memory is necessary for speed and capacity to perform operations on large databases. The large hard disk is necessary to store the data being processed, and the data storage system is essential to keep the data in a safe format that can also be made available for analysis as necessary.

African American Programming

Question 145: P. 93. The request for the Assistant Secretary for Museums is $1,487,000, an increase of $233,000, of which $100,000 is for the effort to explore African-American programming.

When will the members of the advisory committee on African-American programming be named?

Answer: The committee was named in mid-April 1990.

Question 146: How large is the committee expected to be, and what are the specific costs related to it?

Answer: The committee consists of approximately twenty-two scholars, educators, cultural administrators, and business leaders from across the country. Funds have been allocated for travel, hotel accommodations and for an independent consultant to record and transcribe each meeting. The estimated costs are $25,000 for travel for Committee and presenters and $8,000 for contractual services.

Question 147: What will be involved in the contractual services to establish an information exchange network?

Answer: The Interim Director for the African-American Institutional Study will be working with the Ford Foundation and the American Association of Museums to determine needs and solutions in the area of collecting and preserving African American cultural patrimony. The AAM is holding a symposium for 35 "national leaders," "to provide a forum for discussion and to develop a strategy for action." The Interim Director will also serve as a panelist for the Ford Foundation's initiative to assist African-American and Hispanic Institutions with funding for collections care. The follow-up for this activity will be a Smithsonian sponsored symposium which will further the dialogue and identify a role for the Institution in furtherance of the development of a national data-base for African-American collections.

Question 148: Has a date been established by which there is expected to be a report with recommendations as to what form an African-American museum presence in Washington should take?

Answer: The committee will meet in the late Spring, twice in the Fall and once in the Winter. The final report should be ready by late February, 1991.

Necessary Pay for
Assistant Secretary for Museums Line-Item

Question 149: The request includes $133,000 for necessary pay.

Explain the basis for this increase, which represents a 14% increase over the personnel compensation base.

Answer: The FY 1991 necessary pay requirement for the Office of the Assistant Secretary for Museums line-item ($133,000) consists of five components: the annualization of the partial-year funding for new positions approved in the FY 1990 appropriation ($64,000); the annualization of the FY 1990 legislated pay raise ($8,000); the partial-year funding to cover the anticipated FY 1991 legislated pay raise ($11,000); the increased funding to cover personnel costs related to an additional workday in FY 1991 ($4,000); and funding to address a payroll related base deficiency ($46,000).

As part of the FY 1990 appropriation, Congress approved funding for the development of an African American Program within the Office of the Assistant Secretary for Museums, including the partial-year personnel costs for two positions with projected hire dates of April 1990 (1 workyear and $64,000). Funding to annualize the partial-year personnel costs of these two positions in FY 1991 (1 workyear and $64,000) is included in the necessary pay estimate.

The FY 1991 necessary pay increase also includes funding to address a payroll base shortage in the Office of the Registrar ($46,000), which is part of this line-item. Specifically, this additional funding will prevent the total elimination of the Office's limited funding for other objects in order to absorb rising payroll costs.

With the exclusion of these two special necessary pay requirements, the necessary pay increase for the line-item would be $23,000, or 2.5 percent of the personnel compensation base.

NMNH Exhibit Renovation

Question 150: P. 98. The request for the National Museum of Natural History is $29,762,000, an increase of $1,664,000.

Six exhibit halls are currently slated for renovation, including the Gems, Mineral and Geology Hall. There is a campaign to raise $6 million for the renovation of this hall, and the American Mining Congress recently reported that its member companies have pledged more than $700,000 to this effort.

What is the total cost of the renovation of the Gems hall expected to be?

Answer: The entire Geology, Gems and Minerals complex is made up of three major exhibit halls and a balcony. The rough estimate based on a preliminary design is $10-12 million.

Question 151: When will this effort be initiated?

Answer: The fund-raising effort has already begun. A preliminary design has been developed.

Question 152: What are your current plans as to how the mining industry will be portrayed in the new hall? Will both positive and negative aspects or consequences of mining be included?

Answer: The plan is to show that mining is essential to man's use of mineral resources. Both positive and negative aspects will be presented.

NMNH Associate Director for Public Programs

Question 153: Included in the request is $100,000 and 2 workyears for an Associate Director for Public Programs, to combine oversight for the offices of education and exhibits.

To whom do the directors of these offices currently report?

Answer: The Assistant Director for Exhibits and the Assistant Director for Education currently report to the Deputy Director of the Museum.

Question 154: How many Associate Directors currently exist in NMNH? What are their responsibilities?

Answer: There is one Associate Director, for Science. This position was created in 1989 to consolidate management of the Museum's science and collections programs and activities under one high-level deputy of the Director, thereby relieving the Director of day-to-day management of the eight scientific departments and many other related programs. The position is filled by a staff scientist for a term of approximately four years. It is intended that this position will always be filled by rotating in staff scientists for four-year appointments.

Question 155: How specifically do you expect this new position to integrate and strengthen exhibits and educational programs in the museum?

Answer: The new Associate Director will provide much-needed guidance and oversight, on behalf of the Director, in the formulation and implementation of policy and plans for redoing all of the Museum's major permanent exhibitions in the coming years. A major part of this responsibility will involve the development of a much higher-profile educational program, with special emphasis on science education and multicultural staffing and programming that is fully integrated with the new exhibits.

Question 156: Do you expect to add to the staff of this new position in future years?

Answer: Any future requirements for additional staff will be determined by the new Associate Director. At the present time, it is difficult to project what

resources an incumbent will determine are required to properly carry out this new role.

Question 157: What exactly will be the salary of the Associate Director?

Answer: To be competitive with similar positions in other major museums, the Associate Director would be recruited at the GS-16 level. Salary and benefits are projected to total $89,000 at FY 1991 salary level.

NMNH Exhibition Reinstallation

Question 158: Included for major exhibit hall renovation is $700,000 and 1 workyear.

What funds are in the base for this effort?

Answer: The FY 1990 federal allotment for permanent exhibits is $2,200,000. This includes funding received for the Native American halls.

Question 159: What amount of non-Federal funds in total are committed to this effort?

Answer: At the end of FY 1989, we had $708,800 in trust funds available to commit to the permanent exhibits program. We anticipate a total FY 1990 non-federal funding level of $1,978,000 for permanent exhibits. This represents Trust funds in hand as of March 30, 1990, and expected to be received through FY 1990. Of this, $1.8 million is for the Geology, Gems and Minerals complex.

-Question 160: In addition to the funds for the conservator, how will the balance of the requested increase be used?

Answer: The balance of the requested increase ($654,000) will be used in three principal ways: for design and design-related support activities, on a contractual basis, to supplement the efforts of our relatively small design staff, particularly in the areas of final design, architectural and construction engineering support; for the purchase of construction-related supplies and materials; and for the contracting of construction-related services which our present staff is not adequately able to perform, such as highly specialized models, environmental effects, or unique architectural elements.

The following provides a breakdown by project and purchase for FY 1991. In future years, this level of funding will continue to fund similar exhibition renovation work for these and other exhibitions.

1) Native American Halls--removal and conservation of objects from present halls (in addition to funding for conservator position)	$22,000
2) Insect Zoo--partial fabrication	200,000

3) Marine Mammals Hall Balcony	
-fabrication of lower balcony	75,000
-planning/design and fabrication of upper balcony	75,000
4) Geology, Gems and Minerals	
-Major design contract for final design	200,000
5) Public Space Improvements	
-reinstallation of Splendors of Nature and lighting improvements on North Foyer	35,000
-repaint Rotunda and lighting improvements	22,000
-additional furniture for public spaces	25,000
Total	$654,000

Question 161: Why should these extensive renovation activities be included in the Salaries and Expenses budget, rather than Restoration and Renovation?

Answer: The Salaries and Expenses budget has traditionally funded all exhibition-related costs, including the reinstallation of permanent exhibitions. Insofar as the Exhibit program is concerned, the Institution limits the application of Repair and Restoration funds to only repairs and those permanent modifications to exhibit halls themselves that are necessary to ensure compliance with life safety and health codes; that is, to make necessary structural, fire sprinkler or fire alarm, and handicapped-access modifications to the exhibit spaces. This policy is consistent with the purpose of the R&R account, and with the Institution's plans to use the R&R account to eliminate the current backlog of essential facilities maintenance and repair work. Although, funding in the Alteration and Modification (A&M) category of the Construction account is occasionally used for demolition in exhibit spaces, the Institution has long observed the policy of funding new exhibits, a direct program expense from the Salaries and Expenses account, including drywall, electrical work, lighting, and casework. There is a large number of other modification projects of other kinds awaiting funding from the A&M account; these projects arise indirectly as the result of changing program requirements. Moreover, since exhibit installation is a direct program expense, most museums have base S&E funding for exhibits production and installation. They do not, however, have base funding for other kinds of space modifications. Provision of no-year funds within the S&E budget will be in keeping with these guidelines, while at the same time permit greater flexibility than is allowed by one-year funds.

Question 162: Why do you believe these funds should remain available until expended?

Answer: The development of exhibits is a complex and detailed process, requiring the efforts of a significant number of individuals from a wide cross-section of disciplines, including research and curatorial support, conservation and specimen preparation, thematic and design development, as well as engineering, construction and installation. The development of a major new gallery is invariably a multi-year effort, and a delay for any reason--for example, for further refinement of a thematic approach to assure scientific accuracy--by necessity causes the entire project to be delayed to some degree. The Museum's request that funds be available until expended stems from its interest in seeing that the limited funds we have available are used in the most efficient manner

possible. The kind of flexibility that "no-year funds" would allow in our program would enable the Museum to make certain that the project is thoroughly reviewed and detailed, and that it had sufficient time to go through a rigorous bidding and contractual process, without the threat of end-of-year restrictions. In addition, since the Museum is attempting to raise private funds to supplement Federal support for the exhibit program, the use of "no-year funds" will allow synchronizing the timing of contracts with receipt of privately raised funds. The present annual budget timetable is not realistic for large contracts tied to private fund-raising efforts.

Biological Dynamics of Forest Fragments Project

Question 163: There is a request of $134,000 and 3 workyears for the Amazonia biological diversity program. This request is to assume responsibility for the Biological Dynamics of Forest Fragments project transferred from the World Wildlife Fund to the Smithsonian in 1989.

Why was the project transferred from the WWF to the Smithsonian?

Answer: After almost eleven years under the aegis of the World Wildlife Fund, transfer to the Smithsonian was a means of complementing and strengthening the National Museum of Natural History's ongoing research under the Amazonian Biological Diversity Program and other initiatives to understand the effects of global environmental changes on the biosphere. Furthermore, since Dr. Thomas Lovejoy, who conceived and guided the program during its first 11 years at WWF and who continues to provide scientific advice regularly, joined the Smithsonian Institution as the Assistant Secretary for External Affairs after many years as a WWF official, the Institution feels a special responsibility to ensure the project's continuation with a stable base of support.

Question 164: What was the short-term interim funding that was transferred with the project? Was any staff involved?

Answer: WWF agreed to provide $200,000 to the Smithsonian annually to support the project for three years (FY 1989 - FY 1991). In addition, WWF agreed to continue direct support of the salary of the on-site logistics manager for this same three-year period.

To provide continuity to the administration of the project, a half-time Administrative Support Assistant working with the project was transferred to the Smithsonian and is paid from the $200,000.

Question 165: How long has this project been underway? What is its expected timeframe for continuation?

Answer: The project began as the Minimum Critical Size of Ecosystems (MCSE) Project on October 14, 1979.

The MCSE Project began with a view toward its ending after twenty years. Now, in the eleventh year, the questions being answered at the project's permanent field sites have taken on new urgency and importance, and continuation of the project is indicated for decades to come.

Scientists will be grappling with the study of biodiversity and the consequences of losing the rain forests and their species far into the indefinite future. It is a colossal undertaking with no end in sight.

Question 166: Will any of the funding requested be used for the training of Brazilian graduate students? If so, how much? If not, what funds will be used for this purpose?

Answer: No. Funds requested are to provide for the scientific direction and infrastructure to manage the project.

A portion of the funds raised for the project from the private fund-raising efforts of the Assistant Secretary for External Affairs will be used for the training of Brazilian students.

NMNH Biological Diversity Programs

Question 167: How are all the Museum's biological diversity programs being coordinated at this time? What is the current staffing in these programs in total? Provide a breakdown for the record.

Answer: Within the scientific activities of the NMNH a number of long-standing, interdisciplinary programs related to biological diversity exist. These are individual and distinct from the "Biological Diversity Program" per se.

The long-standing biological diversity programs of the Museum are coordinated within the existing administrative structure of the various science departments. The recently funded and integrated Biological Diversity Program (BDP) is coordinated by a standing Task Force made up of staff of the Office of the Director and the scientific directors of the projects within the umbrella Program. The Program includes the Biological Diversity in Latin America (BIOLAT) Project, currently carried out in Peru, Bolivia, and Ecuador; the Biological Diversity of the Guianas Project; the Neotropical Lowlands Project and the Biological Dynamics of Forest Fragments Project, both carried out in Brazil.

The staff of the Biological Diversity Program (BDP) consists of:
Administrative Technician - (Supports overall BDP)
Museum Technician - (Guianas Project)
Museum Aide - (BIOLAT)
Administrative Support Assistant - (Biological Dynamics of Forest Fragments Project) (half-time: the incumbent is an ecologist and spends some time in the field and also supports the private fund-raising effort for the Biological Dynamics of Forest Fragments Project)

In addition, the Museum's only Science Program Administrator (from the Office of the Director) was assigned temporarily to the project, and a senior Zoologist (from the Department of Vertebrate Zoology) was detailed to serve as Acting Science Director. Finally, a portion of the time of a Botanist is devoted to scientific management of the Biological Diversity of the Guianas Project, a part of the BDP.

Question 168: How many secretaries currently support the biodiversity staff?

Answer: There are currently no secretaries supporting the biodiversity staff.

NMNH Coastal Oceans Research

Question 169: There is a request of $50,000 for global change and coastal oceans research.

Why is it necessary to extend the lease of the research station at Carrie Bow Cay, Belize by three months to a full year? From whom is the site leased? How long does the lease run?

Answer: For scientific reasons the lease should be for a full year, because the ideal data collection scheme is to obtain data monthly without any voids. Extension of the lease from nine months to a full year is also necessary to safeguard the weather station that would otherwise be open to damage from tampering by the occasional tourist or passing fisherman. Currently, for three months of the year, there is nothing to keep tourists and fishermen from camping on the island. During the nine months under which the island is leased by the Museum, The Smithsonian contracts for a caretaker to protect Smithsonian equipment and supplies and to notify the Museum immediately if any damage to the weather station occurs due to storms or other events.

The Institution leases the site from the Bowman family of Dangriga, Belize. The lease is perpetual with annual renewal.

NMNH Arctic Ecosystems Research

Question 170: How much of the request related to the weather station represents one-time only costs?

Answer: The full amount is needed for first-year set-up costs and after that for operational costs. First year costs of $20,000 for equipment and $10,000 for installation will be applied in the second and ensuing years to support the scientists conducting the studies using the weather station for the additional three months and to provide for maintenance, upgrading, and data manipulation and dissemination.

NMNH Arctic Ecosystems Research

Question 171: There is a request of $75,000 and 1 workyear for global change in Arctic ecosystems research.

Explain why this research is important, and what impact the results are likely to have.

Answer: Archeological sites are, in effect, time capsules that contain records of former human activity and environmental conditions. The distribution of archeological cultures and the geological, animal, and plant remains preserved in froze: arctic sites provide an important untapped source of information on effects of climate and environmental change on human life over a 10,000-year

period or more. More importantly, arctic hunting cultures are extremely sensitive to climatic and ecological change. Archeological study of arctic and subarctic hunting peoples offers our best and most accessible method of linking changes in the physical and biological environment with global impacts on human peoples through time.

Experts recognize that climate exerts dominant control over the southern position of the arctic icepack, the forest-tundra boundary, and the distribution of plants and animals, whose tissues also contain records of paleotemperatures, forest fire frequency, salinity changes, and other parameters. Recent studies show that changes in the position of Eskimo and Indian culture may also respond to climatic changes such as shifts in the northern boundary of the forest or the southern limit of pack ice on the sea. Combined use of archeological and environmental data (archeozoological, plant macrofossil, pollen, and other data contained in archeological sites) allow study of the direct impact of environmental change on humans over long periods of time.

This research concentrates on two aspects of arctic and subarctic global change. In the climatically-sensitive Eastern Arctic, signals of climatic and environmental change will be searched for in geographical position, and paleoenvironmental indicators sought in Indian and Eskimo cultures over the past 10,000 years. In the Western Arctic (Alaska), emphasis will be on social and technological factors of change seen through the relationships between Alaskan and Siberian cultures. The results of both studies will be linked with research results from other circumpolar areas to develop a general model of circumpolar cultural response to changing global environments throughout the Holocene.

The results of this research will help produce a history of climatic and environmental change that can be related to long-term change in the history of arctic environments and human cultures. These studies will have relevancy to modern problems of peoples of the North and will help develop models for gauging effects of future change among peoples still largely dependent on the environment for their livelihood and subsistence. These studies will also provide independent means of verifying other methods of paleoclimatic and environmental history determination.

Question 172: Are any base resources being used for this research? If so, identify them.

Answer: The Smithsonian Arctic Archeology and Biology program is a new program for which $155,000 was appropriated in FY 1989. The Museum now seeks augmentation of these funds to make this program fully operational. In addition to the recent federal increase received, the Department of Anthropology has a pre-existing base for the salary of the program director.

Question 173: Do you currently have any Western Arctic archaeologists on staff?

Answer: The National Museum of Natural History has no Western Arctic specialist. The program director is an Eastern Arctic and circumpolar specialist. The Smithsonian's large Alaskan collections and the great potential of archeological research in the Western Arctic (Alaska) and, today, also in Siberia, makes this research important and timely. The growing interest among Alaskan

residents, Native and non-Native, in the Smithsonian's collections, exhibitions, and research work add further need for this program. This program has been developed through the Smithsonian's participation in the Interagency Arctic Research Policy Committee, in which the Smithsonian played the lead agency role in planning for future archeological and social science research. Finally, the basis for the Western Arctic program has been coordinated with Soviet scientists who participated in the Smithsonian's production of the large exhibition, Crossroads of Continents: Cultures of Siberia and Alaska, now touring in North America.

Dinamation Exhibition

Question 174: The Museum has a new exhibit this spring on Dinosaurs, which has been rented and for which a fee will be charged.

Do you have an estimate at this time of what profits might be made, and how much of the profits will come to the Smithsonian?

Answer: The Museum did not rent the Dinamation exhibit, although this was considered. The proposed lease cost would have been $1.14 million excluding operational costs (security, docents, ticketing, etc.). Thus, the Museum entered into an agreement wherein Dinamation would install and operate the exhibit and would share 50% of any net revenue. Reimbursable costs for both SI and Dinamation -- which include ticketing, traffic control staff, and general on-site management for Dinamation, and security and direct costs for public relations and exhibit support for Smithsonian -- come "off the top" of income derived from ticket sales. It should be noted that tickets would be required whether the exhibition was offered free or not, to control the level of visitors to a safe and enjoyable level. There are no existing staff or systems in place to carry out these activities.

The first financial reports will not be available until early May, so it is difficult to estimate at this point what the net revenue will be.

Question 175: Will any profits received be retained by the Natural History Museum, or will they go into the general funds of the Smithsonian for normal distribution?

Answer: The Institution will retain one-third of the 50% split of net revenue; the National Museum of Natural History will retain two-thirds. Any such funds would be used to cover the Museum's fund raising expenses through FY 1990, and pay for the Jim Gary dinosaur exhibit on display in the Evans Gallery, which complements the Dinamation exhibition and is free to the public. Any additional funds would go toward support of the Museum's on-going exhibitions program.

Question 176: The Zoo is also charging for a musical presentation this spring.

What were the costs connected with this presentation, and why is it necessary to charge for admission?

Answer: Production start-up costs of $12,500 and weekly costs of $2,500 are provided by Dinamation International and thus are not chargeable to any Smithsonian Federal or Trust funds. Publicity costs no greater than $5,000 are

provided by the National Zoo from unrestricted Trust funds. All of these costs are reimbursable to the extent proceeds of the show are sufficient to cover them.

The Zoo does not have funds for a professional production and it was decided to charge a modest entrance fee to make possible this special production. The play is exceptionally educational as well as entertaining, an unusual opportunity to teach biological information to young audiences. It is also an opportunity to expand public programming in the Zoo's excellent auditorium.

Question 177: What profits, if any, are expected to be received?

Answer: If the play draws reasonably large audiences, the Zoo could gain about $30,000 to support additional special programs for the public free of charge.

Question 178: How will these funds be handled?

Answer: According to the terms of the agreement with Dinamation International, entrance fees will be received initially by Dinamation, which will apply them first to Dinamation's and the Zoo's reimbursable costs. Any surplus receipts will also be divided between Dinamation and the Zoo.

Admissions Fees

Question 179: Does the Smithsonian have any additional plans for charging for exhibits or other events in the future?

Answer: The Zoo plans to continue and expand as feasible its active program of free public presentations in its auditorium, and to consider additional programs for which a fee might be charged.

NMNH East Court Building

Question 180: P. 289. The Construction budget contains a request for $1,500,000 for design of a new building to be constructed in the East Court of the NMNH Museum building. This building will provide a relocation-staging space during renovation of the NMNH building, and later will provide 80,000 sq. ft. of permanent space for labs, offices, exhibits, etc. The estimated cost of the new building is $25 million without equipment or furnishings.

What will the total cost of the building be with equipment and furnishings?

Answer: The preliminary estimate of the total cost of the building, is $30 million with equipment and furnishings. This estimate does not include collection storage equipment and bureau planning and management costs, which will be budgeted separately.

Question 181: What is the status of your request for authorization for this project?

Answer: Legislation to authorize construction of the East Court Building at the National Museum of Natural History has been introduced. H.R. 4463 was introduced on April 4th; S. 2540 was introduced on April 27th.

Question 182: How much has been spent on planning this building?

Answer: A total of $81,000 has been spent on planning. This includes $26,000 for a study to assess the impact of such a building on the schedule of the Master Implementation Plan and $55,000 for a Conceptual Planning Study for the building itself.

Question 183: Will the $1.5 million requested complete the design? How long is the design effort expected to take?

Answer: Yes, the $1.5 million will complete the design effort. It will take approximately one year to complete the design and obtain the approval of all agencies involved in this project. These agencies include the National Capital Planning Commission, the Fine Arts Commission, the State Historic Preservation Office, and the Advisory Council on Historic Preservation.

NASM Global Environmental Studies

Question 184: P. 111. The request for the National Air and Space Museum is $10,698,000, an increase of $311,000. Included is $71,000 and 1 workyear for satellite data analysis related to global environmental studies.

What is the status of hiring the two positions for which funding was provided in 1990?

Answer: The Computer Analyst position is currently being advertised. The committee to review the applicants is scheduled to meet in late May of this year and the position is expected to be filled by late June or early July.

The Remote-Sensing Technician position is expected to be advertised in late May of this year with a projected starting date of late July or early August.

Question 185: What is the basis for the $15,000 estimate for acquiring the satellite data?

Answer: The request for $15,000 is to purchase four Landsat Thematic Mapper (TM) digital images and three Multispectral Scanner (MSS) digital images. These scenes will cover portions of Egypt, Sudan, Namibia, Mali and the United States. The cost of one TM scene is currently $3,300 and the cost of one MSS scene is $660 (these prices are expected to increase this year).

Question 186: Who will be the ultimate users of these data and analyses? What will be the benefit?

Answer: The users of these data are the research staff of the Center for Earth and Planetary Studies investigating changes in arid and semi-arid regions of the Earth and vegetation loss to urban growth. The analysis of these data will be

used to: 1) develop baseline information on the magnitude of seasonal change on reflectance of vegetated dunes and grass-covered plains in Africa; 2) measure rates and directions of sand transport in the Western Desert of Egypt; 3) better understand the rates of erosion, timing of wet periods, and the response of the surface to climatic changes in the Sahara; 4) determine volumes and rates of sand transport through individual drainage basins in the Mojave Desert; and 5) determine how much vegetation, particularly forests, have been lost to urban development in the Washington Metropolitan Area and assess the impact of these losses on the environment. Other investigators, both inside and outside the Institution, will have access to the results of this research. The benefits of these studies are that they contribute to a body of knowledge that is necessary to address issues of global environmental change.

NASM Extension

Question 187: At the January Board meeting, the Regents reaffirmed their preference of Dulles International Airport as the site for the NASM Extension.

What further planning or studies are now underway as a result of this decision? What are the expected costs of such efforts, and the sources of the funds?

Answer: Negotiations are currently underway with the firm of Hellmuth, Obata and Kassabaum to develop the master plan for the NASM extension. We anticipate the master plan to cost approximately $675,000 spread over fiscal years 1990 and 1991. This plan is being funded with planning funds in the Institution's Federal Construction account.

Question 188: What further discussions have been held or planned regarding the building of mass transit service to Dulles from downtown Washington?

Answer: In a letter from Governor Wilder to Secretary Adams dated April 20, 1990, the Governor states "I have instructed the Virginia Department of Transportation, in cooperation with appropriate local and regional entities, to develop a proposal for shuttle bus service between the West Falls Church Metro station and the Museum site and between the Dulles Airport terminal and the Museum site. The proposal is to be completed in draft form by July 1, 1990." The Governor's letter also states "We will work with local governments, the Washington Metropolitan Area Transit Authority and others interested in developing rail passenger service in the Dulles Access Road corridor, and I believe it is reasonable to anticipate such service to be operating by the year 2000."

Question 189: Has the Governor been approached regarding the possibility of Virginia offering $10 million for the project, to match the offer made before the meeting by Governor Schaefer of Maryland?

Answer: Negotiations with the state of Virginia have centered around their offer of matching funds, and at what level the match would be. These matching funds include the state's offer to cover all site improvement costs. A package of cash contributions has also been offered. It comprises a number of different elements stemming from state as well as local contributions. In totality the offer is at least comparable to Maryland's, though quite different in its packaging.

Question 190: What has been done regarding seeking a commitment from Virginia for Phase II and Phase III construction?

Answer: This issue is also covered in Governor Wilder's letter to the Secretary dated April 20, 1990. He states, "The key to ensuring that commitments are maintained by future Governors and General Assemblies is the development of a sound and equitable plan for financing the Extension. There is ample precedent for multi-year financial commitments to capital projects. For example, over a six-year period (three biennial budgets), successive sessions of the General Assembly appropriated a multi-million dollar contribution of a replacement hospital at the University of Virginia."

In his closing paragraph, the Governor also writes "From the Commonwealth's perspective, the offer for Phase I of the Extension is truly ambitious. Including the value of the interest-free loan for planning, our offer to the Smithsonian would match the entire value of all money Virginia now intends to spend in fiscal 1991 and 1992 for state museums, non-state museums and historic landmarks. I hope you will concur in the generosity of this offer and be assured of our interest in developing additional ones for later phases."

Question 191: What is the status of the authorization for this project?

Answer: At its meeting on May 7, 1990, the Board of Regents approved a draft bill and requested its Congressional members to introduce and support legislation providing authority for the Smithsonian to plan and design an extension of the National Air and Space Museum at Washington Dulles International Airport and for appropriations of $9,000,000 in Fiscal Year 1992. On May 16th Senator Garn, for himself, Senator Moynihan, Senator Warner, and Senator Robb, introduced S. 2636 which encompasses those provisions. The bill has been referred to the Committee on Rules and Administration.

National Museum of American History

Question 192: P. 121. The request for the National Museum of American History is $16,024,000, an increase of $454,000.

What is the status of the cleanup of buildings 16 and 17 at Suitland?

Answer: Cleaning of objects in Building 16 is in progress, with approximately one-third completed to date. Completion is scheduled for the end of FY 1992.

During FY 1990, plans are being formatted, for the cleaning and renovation of Building 17. Since, Building 17 is a "double" building (with 27,000 square feet) and is more heavily asbestos-contaminated, the complex job of cleaning and renovation, incorporating collections cleaning needs, building renovation phasing, and health and safety requirements, is presently estimated to take three years, beginning in FY 1991. Initial funding for asbestos removal and renovation of Building 17 was provided as part of the Minor Construction, Alterations and Modifications subaccount in FY 1990. Additional funding will be requested in future years to complete this work.

Question 193: Will any of the NMAH collections be moved into the Museum Support Center in 1991? If not, when will the move of the collections actually begin?

Answer: The move of NMAH collections is scheduled to begin in the fall of 1990 and will continue over the next several years.

Question 194: Last year, you requested funds to rent new storage space in Springfield, and stated that additional space might be needed in FY 1991.

What are the current actual costs of renting the space in Springfield?

Answer: Lease costs for this year are $235,002.

Question 195: How much space is being rented? Is this meeting your current storage needs?

Answer: We are renting 36,000 square feet of space. This will meet our storage needs until September 1991 when we will need at the minimum an additional 12,000 square feet at Springfield to support building renovations, exhibit reinstallations, and relieve unsafe conditions on an interim basis until permanent collection storage facilities can be provided.

Question 196: The request includes $95,000 and 1 workyear for the Columbus Quincentenary.

How much has been spent to date on design and development of the "American Encounters" exhibit?

Answer: To date, the following has been spent on the "American Encounters" exhibition and related Columbus Quincentenary programs:

FY 1987	$53,000
FY 1988	80,000
FY 1989	125,000
FY 1990	285,000 /1
TOTAL	543,000

/1 Projected full-year estimate (as of 5/15/90)

With these funds, the Museum has produced the following symposia and small exhibitions, in preparation for the major Quincentenary effort:

Projects completed:

Symposia: "After Columbus: Encounters in North America"

September 1987: Highlighted current research in historical archaeology and ethnohistory that focused on Spanish, French, English, and Dutch contact with American Indians; and maritime history of the sixteenth-century Manila Galleon route.

April 1988: Explored American Indian perspectives on European colonization.

April 1989: Examined interactions between Spaniards and Indians in the Spanish borderlands during the sixteenth to eighteenth centuries.

Exhibitions:

September 1987: "A Chinese Puzzle in California: Foreign Trade and Native Americans Before 1600" presented archaeological evidence from Drakes Bay, California of international trade via the Manila Galleon route and the reuse of Chinese porcelain by the Coast Miwok Indians. (Accompanied by free booklet.)

April 1988: "Commerce and Conflict: The English in Virginia, 1625" examined how the English settlers at Flowerdew Hundred organized their society to produce tobacco for sale in England and their relations with the Weanock Indians. (Accompanied by free booklet.)

April 1989: "Kiva, Cross, and Crown at Pecos Pueblo" considered relationships between the Pecos and Plains Indians and between the Pecos and the Spanish authorities (Accompanied by free bilingual, Spanish-English booklet.)

Question 197: What is the remaining need for the exhibit?

Answer: The remaining need for the exhibit is $2.3 million. Approximately one-half of this funding will be used for exhibition construction. The other half will cover continuing research, collections acquisition and conservation, audio-visuals and interactives, design, travel, and public programs.

Barney Studio House

Question 198: P. 136. The request for the National Museum of American Art is $5,817,000, an increase of $125,000, including $15,000 for the Quincentenary exhibit.

What are the current plans with regard to the Barney Studio House, which has been reported to need $1.5 million in renovations?

Answer: The two principal floors of the Barney Studio House will be maintained as a period studio house, open to the public by appointment and for special events and activities for many Smithsonian units. The other floors will continue as NMAA staff offices and residential housing for Smithsonian fellows. As an expansion plan for NMAA is determined in the summer of 1990, future use of Barney Studio House for NMAA offices and programs will be reexamined in light of that plan.

$1.5 million is a rough estimate of what is needed for structural and foundation support for the rear portion of the house, which was constructed on "fill" land and has been gradually settling during the past 85 years. There is no immediate danger, although repairs are necessary for the ultimate preservation of this historic house. Private funding sources are being explored.

National Portrait Gallery

Question 199: P. 144. The request for the National Portrait Gallery is $4,403,000, an increase of $107,000.

Is there funding in the base for the Bicentennial of the Constitution exhibitions?

Answer: There is a small amount of funding in the base of the National Portrait Gallery related to the Constitution Bicentennial. Funding to hire two temporary positions for a registrar technician and a conservator (2 workyears and $42,000) and to purchase related supplies and equipment ($10,000) was provided in FY 1988 for a three-year period (FY 1988 through FY 1990). These positions have been very critical in allowing the Gallery to respond to the increased workload in conservation and registrarial documentation generated by borrowing works of art from other sources for its Constitution Bicentennial exhibitions during these three years.

Beginning in FY 1991, the Gallery would greatly benefit from retaining these positions permanently to address its continuing base workload for conservation and registrarial documentation. Since FY 1990 was the last year for which the two positions had been justified in terms of the expanded workload for the Constitution Bicentennial exhibitions, the Institution should have included a specific request to retain these positions permanently as part of the FY 1991 budget justification.

Question 200: There is an increase of $25,000 for support of the Columbus Quincentenary exhibitions.

What costs will the Portrait Gallery have to incur as the exhibit travels to other locations?

Answer: It is estimated that about $400,000 in shipping and insurance will be required for the shipment and insurance of the art objects to the NPG, for travel of the exhibition between Washington, D. C., Fort Worth Texas, and Madrid, Spain, as well as for the return of the objects to owners at the close of the exhibition. This amount may be somewhat reduced if indemnity for the loans from overseas is secured. We will try to raise funds for the costs involved in the showing in Spain.

Question 201: How much travel has been incurred to date to seek portraits for the exhibition? How many such trips are planned for 1991?

Answer: Two trips by the curator to Spain (one involving visits to the other European museums that would lend to the exhibition), one trip by the curator from his home in Texas to Washington, D.C., and one trip by the Director of the National Portrait Gallery to Fort Worth, Texas to plan the budget and the scope of the exhibition have already been funded. In 1991 one more European trip is anticipated, to make final arrangements for loans and for the essays to be included in the catalogue. Some of the travel for this project has taken place while the curator was on other business, so this project did not have to cover travel costs in these cases.

Hirshhorn Museum and Sculpture Garden

Question 202: P. 153. The request for the Hirshhorn Museum and Sculpture Garden is $3,678,000, an increase of $100,000, including $30,000 for writing and editing an exhibition catalogue for the Columbus Quincentenary exhibition.

What is the total cost of the catalogue expected to be? What funds will be used for the balance of the costs?

Answer: The total cost of the catalogue is estimated at $72,000. This includes fees to five guest essayists and the translation of the catalogue into Spanish. The Spanish material will have to be edited by a Spanish speaking editor since the museum's editor does not work in that language. Included in these estimated costs are funds to be used for typesetting, plates to produce reproductions, paper and printing. If the entire budget for the catalogue cannot be funded, the catalogue will have to be reduced in size, not translated and contain fewer or no guest essayists.

Freer Gallery Exhibition Reinstallation

Question 203: P. 157. The request for the Sackler Gallery/Freer Gallery of Art is $4,668,000, an increase of $268,000. Of this amount, $200,000 is requested as no-year funds for reinstallation of the Freer collections after the building renovation is completed.

How was the estimate of $3 million as the total cost of reinstallation derived? Provide a breakdown of these costs for the record.

Answer: The Budget breakdown for $3,000,000 is:

Permanent moveable casework	$1,614,000
Architectural millwork including object bases and pedestals	490,000
Lighting control device	200,000
Gallery carpeting	85,000
Special lighting equipment and materials	142,000
Mounts and supports for objects	47,000
Label typesetting, screenprinting, illustrations and other graphics	68,000
Frames for paintings	97,000
Temporary installation staff support	124,000
Security devices	27,000
Contingencies	134,000
TOTAL	$3,028,000

Question 204: When do you intend to begin the fundraising drive to raise half this amount privately?

Answer: We have already applied for a Smithsonian Special Exhibition Fund grant for the reinstallation casework. Preliminary discussions with a private donor in regard to funding the renovation of the Freer Auditorium has already taken place. Corporate and foundation prospects are being researched and proposals prepared. Part of the Freer Project is the restoration of the James

McNeill Whistler's Peacock Room for which two donors have contributed financial support and additional donors are being sought.

Question 205: How exactly do you intend to spend the $200,000 in FY 1991?

Answer: The $200,000 requested in FY 1991 will be used to refurbish and repair, to the extent possible, the existing exhibit cases; build new bases and supports for certain objects which do not need to be enclosed; and develop framing for hanging scrolls. (See also question number 206.)

Question 206: Will this amount allow you to meet the schedule for reopening in late 1992?

Answer: The pending FY 1991 budget request of $200,000 for the reinstallation of the exhibition halls at the Freer Gallery assumes that the Institution will be able to meet the scheduled date for reopening in late 1992. The total cost for the reinstallation is estimated to be $3 million (with $1.5 million in Federal funds matched by $1.5 million provided through fund raising). Therefore, the Institution's ability to meet a 1992 reopening will depend on being able to secure the rest of the Federal funding in FY 1992 and the matching Trust funding in FY 1991 and FY 1992.

During the last few months, however, the Freer has become concerned that, even with securing the balance of the $1.5 million in Federal funding as part of the FY 1992 appropriation, it will be exceedingly difficult to reopen in calendar year 1992 because of the planning and lead times needed, coupled with the complexities of the contracting and procurement processes. (The Institution's request for no-year funding for the Freer reinstallation is especially crucial to its ability to expedite the required contracting and procurement processes without end-of-year restrictions.) The Gallery currently estimates that only with an additional $750,000 in FY 1991 in no-year funds would it be able to reinstall all of the Freer's permanent exhibition halls in time for reopening in late 1992. Otherwise, it will become necessary to postpone the reopening date to some time during the first half of calendar year 1993.

Cooper Hewitt Museum-Fox House

Question 207: P. 169. The request for the Cooper-Hewitt Museum is $1,514,000, an increase of $26,000. Also included in the construction budget is $335,000 for renovation of the McAlpin-Miller House and the newly-acquired Fox House.

How are you using the $116,000 provided in FY 1990 for renovation?

Answer: The funds provided will be supplemented with funds to be reprogrammed within the R & R account to allow completion of the most urgent repairs to the building. These include replacement of the roof to correct water intrusion problems; replacement of the failing boiler; installation of new gas service to the new boiler, and electrical repairs in the basement and first floor. The total estimated cost of these essential repairs is $335,000. The Institution will request approval to reprogram approximately $219,000 to complete this work.

Question 208: How long do the current leases in the Fox House run?

Answer: All tenants have been notified in writing that their leases will not be renewed upon expiration. Of the current tenants the status of the remaining occupied apartments is as follows: one lease expired in November 1989 and we are pursuing an eviction plan; two leases will expire in November 1990; two apartments are occupied by tenants who have no lease and we are beginning eviction proceedings.

Question 209: How much of the building is currently unoccupied?

Answer: The building houses 10 residential apartments. At present, five apartments, comprising approximately 60 percent of the building, are unoccupied.

Question 210: What are the minor architectural alterations you intend to make to the building in 1991?

Answer: The Cooper-Hewitt plans to renovate the vacant apartments in the Fox House to make the space usable for Museum purposes. Specific modifications include removal of kitchen and shower facilities, installation of lighting fixtures, painting, and recarpeting of the lobby area. Doorways will also be installed between the Fox House and adjacent McAlpin-Miller House, for improved access.

Question 211: How do you intend to use this available part of the building while waiting for the leases to expire?

Answer: As a first step toward total use of the Fox House, Cooper-Hewitt will relocate its Masters' Program in the History of European Decorative Arts to space in this building during the summer of 1990. At present, the program, co-sponsored with Parsons School of Design, is housed in one room in the Carnegie Mansion. By relocating to Fox House, there will be an additional classroom and conference room. It is also the Museum's plan to begin to move some staff offices to the building as deemed feasible.

Question 212: What increases have you experienced in operating expenses as a result of acquiring the new space, and how are these being met?

Answer: Cooper-Hewitt has experienced numerous increases in operating expenses since acquiring Fox House. These increases include: utility costs, custodial fees, and legal costs. Security personnel will be needed when the Master's Program in the History of European Decorative Arts is housed in Fox House beginning this fall as well. Demands for maintenance services provided by the Institution's Office of Plant Services have also increased due to the increase of our facility. Some of the increases are being paid out of rent revenues, others are paid out of the federal appropriation.

Anacostia Museum

Question 213: P. 180. The request for the Anacostia Museum is $1,073,000, an increase of $35,000.
What is the status of finding a new Director for the Museum?

Answer: A search committee has been selected and letters requesting their participation have been sent.

Question 214: Has the Smithsonian completed its review of the Museum's collections management policy? With what results?

Answer: The collections management policy has been reviewed and is on hold until it can be compared with the new mission statement for the Museum.

Question 215: What were the results of the meeting held between the Secretary and the Museum's staff last December?

Answer: The meeting resulted in a strengthening of the relationship between the Museum staff and the Smithsonian's central administration. Also it resulted in a community round-table discussion with 29 participants on March 3, 1990. A transcript of the discussion will be provided to the Committee.

Question 216: In a March 16 letter, Assistant Secretary Freudenheim indicated the Smithsonian hoped to have a finalized planning document (related to the master plan for Anacostia) by May, 1990.

What exactly will this planning document consist of, and what will be the next step after its completion?

Answer: The planning document was completed on April 16, 1990 and a copy will be provided to the Committee. The Institution is assisting the Museum in locating a consulting Architectural Firm to work with the staff in defining the physical needs.

Question 217: What exactly do you plan to accomplish in FY 1991 with regard to the master plan?

Answer: The Institution would like to see a site plan under way for Poplar Point.

Question 218: Has the new mission statement for the Museum been completed?

Answer: No, the mission statement is in draft form and will be completed by July 15, 1990. A copy of the final mission statement will be forwarded to the Committee when approved.

Question 219: What is being done to address the request of the Museum for transportation (a bus or shuttle service) to increase visitation and for its education program?

Answer: The Institution requested funding to initiate a visitor shuttle service between the Mall and the Anacostia Museum (1 workyear and $99,000) as part of the FY 1991 budget request to the Office of Management and Budget. Even though this funding was not provided for in the OMB passback, the Institution supports this initiative and anticipates requesting funding for this shuttle service in its FY 1992 budget request.

The initiation of this shuttle service will improve access to the Museum for Washington metropolitan area public schools, senior citizens, and other groups, as well as make it easier for visitors at the Mall museums to get to Anacostia. The shuttle will thus improve the Museum's service to visitors from the Washington, D.C. area and from communities from across America, and enhance the Museum's ability to bring the experiences of African Americans and their contributions to science, history, and the arts to a wider audience.

Traveling Exhibition Service

Question 220: P. 194. The request for SITES is $874,000, an increase of $66,000.

How is the increase of $170,000 provided in 1990 being used?

Answer: The FY 1990 increase of $170,000 is being used to fund the partial-year costs of five positions ($155,000) and to expand SITES' Federal base for shipping costs ($15,000). Four of these positions (two Exhibition Coordinators, an Exhibition Marketing Assistant, and an Exhibition Editor) are already on-board and plans are underway to hire an Exhibition Registrar. (Additional funding of $51,000 to annualize the partial-year funding for these positions is included in the FY 1991 budget.) The funding for shipping is being used to reduce, on a case-by-case basis, exhibition shipping costs for smaller, economically fragile museums. This ensures that such facilities will be able to participate more fully in SITES' program offerings, since the costs of transporting exhibitions alone can undercut an institution's ability to participate. By accomplishing that goal, SITES in turn increases the accessibility of its exhibitions to a larger range of museums and educational institutions throughout the United States.

Question 221: The budget notes that it would require 24 work years and $1.4 million to offer traveling exhibitions at affordable rates, and expand to diverse audiences, including more non-urban and minority audiences.

How much of an increase in your audience would you expect an increase in funding of this size would result in?

Answer: At the present time, SITES exhibitions annually reach an estimated 11 million people across the nation and around the globe. SITES' five-year projections place that attendance figure at 15 million by 1995. Even more important than the total number of visitors who see SITES exhibitions, however, is the specific composition of SITES audiences. Currently, 65 percent of SITES' exhibition programs reach only well-established museum facilities in major urban areas. SITES hopes to change that by reducing the rental fees it now must charge to institutions in the field.

A $1.4 million increase in Federal funds would enable SITES to provide traveling exhibitions at affordable rates to a great diversity of places. In

addition to AAM-accredited museums, SITES would be able to circulate its programs more regularly to schools, minority museums, Indian reservations, community centers, libraries, municipal buildings, hospitals, and industrial plants. While SITES' total visitor count would not exceed 15 million by 1995, the diversity of SITES' audience would expand dramatically. SITES believes that this expanded audience base would be more in keeping with the Smithsonian's commitment to reach people of all ages and backgrounds.

Museum Support Center

Question 222: P. 199. The request for the Museum Support Center is $4,316,000, an increase of $26,000.

Explain why the Initial Move effort is now expected to extend through FY 1996, instead of 1994 as previously estimated.

Answer: The Move to the MSC continues to be estimated as a five-year project, once sufficient storage equipment is available at MSC to house the collections and sufficient resources are available to support an expanded level of Move activity during the peak years. In early FY 1991, there will be sufficient storage equipment at MSC to begin the period of expanded Move activity. At that point, the critical factor determining the duration of the Initial Move is the availability of sufficient funding to support the increased level of Move activity. During the FY 1991 budget formulation process, the Institution projected the need for a total of 127 workyears and approximately $5 million spread over a five-year period (FY 1991 - FY 1995) to complete the Initial Move. This schedule reflected the Institution's request to OMB for a significant increase in Move funding for FY 1991 (from $391,000 in FY 1990 to $1.9 million in FY 1991), which OMB subsequently did not allow. The extension of the Move through FY 1996 is a consequence of having to continue MSC Move activity for another year at what amounts to a subsistence level, now that storage cabinets are available. To complete the Initial Move of the collections to the MSC within five years of the expanded Move activity, the Institution requires a substantial increase of funding during the three-year "peak period" for the Move. At the FY 1990 funding level, the Institution's projects that it will take more than 25 years to complete the Initial Move.

The following chart shows the funding requirements for Move activity for FY 1991 through FY 1996, based on the Institution's projections at the time of its FY 1991 budget request to OMB and the Congress. It is important to note two items in the comparison: (1) There is a maximum level of funding (approximately $1.9 million) beyond which it is not efficiently possible to utilize additional resources. Therefore, a reduction in proposed funding for any one year can not necessarily be fully offset by additional resources in the next year. (2) Further delay in proceeding with the completion of the Initial Move may result in increased costs. The Institution estimates that a one-year delay in beginning the expanded Move activity (from FY 1991 to FY 1992) will increase the total cost of the Move by approximately $300,000.

FUNDING REQUIREMENTS FOR MSC MOVE, FY 1991 - FY 1996
(Dollars in Thousands)

Year	Based on FY 1991 OMB Request	Based on FY 1991 Congress. Request
FY 1991	1.9	0.4
FY 1992	1.3	1.9
FY 1993	1.0	1.3
FY 1994	0.4	0.9
FY 1995	0.2	0.4
FY 1996	--	0.2
TOTAL	4.8	5.1

Question 223: When will you have a final GSA estimate on the amount needed for the reprocurement?

Answer: The final GSA estimate on the amount of funding needed for the reprocurement will not be available until the last of the reprocurement packages for the collections storage equipment goes out for bid. Five of the eight storage equipment packages are now under contract. Three of the packages, compactor screens, large cabinets, and specialized fencing units, are presently in the conceptual and final design phases. GSA plans to solicit all of these three bids by the end of calendar year 1990, at which time the final GSA estimates will be available.

Question 224: Does your request include the $300,000 you indicate is needed to complete the reprocurement in 1991 (p. 202)?

Answer: Yes, this request includes the $300,000 in the base that is projected to be needed to complete the reprocurement in FY 1991.

Question 225: Why isn't it possible to use the existing wood cabinets from NMNH for storage of types of items that would not be affected by the acid in the wood, rather than spending $4.8 million to replace them?

Answer: The Institution has already planned to use the existing wooden frame cabinets for collections that are less affected by the acid in the wood. However, at best, this is a short-term solution, because the acid will affect even these collections in the long run.

In 1985, the Institution decided to use the existing wooden frame cabinets for the initial move for collections in four departments: Paleobiology, Mineral Sciences, Invertebrate Zoology (dry), and a small portion of Anthropology. The acid in the wood can affect some specimens in each of these departments. However, with the exception of Anthropology objects, the collections of these three departments are less susceptible to acid in the wooden frame and drawers and to damage by pest intrusion caused by the poorer quality enclosure of these cabinets. As a result, the Department of Anthropology would be the highest priority for which to procure new storage units to replace these wooden frame ones.

However, there are two other important reasons to replace these cabinets. First, the configuration of the MSC storage area takes advantage of the larger floor area of the new steel cabinet dimensions (7.6 square feet), compared to the smaller floor area of the existing wooden frame cabinets (5 square feet). Until new steel cabinets replace the wooden frame cabinets, the Institution will not be able to fully utilize the extra storage space made possible by the larger floor area of the new cabinets. Second, many of these wooden frame cabinets and drawers are already many decades old. At some time in the near future, the Institution will have to replace the old cabinets anyway because they will no longer be functional (e.g., their doors no longer will fit into their frames).

With the exception of the Department of Anthropology, the Smithsonian currently does not plan to acquire replacement cabinets for these Departments until after the Institution has procured all other storage equipment for both the initial move and growth areas of MSC. Although replacement of these cabinets is the lowest priority for storage equipment procurement, a window of opportunity remains open to the Smithsonian to purchase them under the current GSA contracts with the storage equipment company. Under the terms of this contract, the Smithsonian will be able to purchase cabinets for a set price, including a ceiling for annual escalation costs above the base price, for a five-year period from the award date (March 1989). The Smithsonian will have to make all purchases against this contract no later than February 1994 to avoid paying higher costs to procure these cabinets at a later date.

Question 226: How much, if any, of the $2.9 million reqaested for equipment in 1991 will be used for cabinets for growth areas in pods 2 and 4? How exactly will the balance of the funds be used?

Answer: At this time, it is not possible to determine how much, if any, of the $2.9 million requested for FY 1991 will be used for cabinets for growth areas in pods 2 and 4. The highest priority for FY 1991 will be completing the funding required for the reprocurement (currently estimated to require approximately $300,000 of the FY 1991 funding for MSC collections storage equipment). During FY 1991, the Institution must also begin to address the three remaining requirements for MSC collections storage equipment that it had deferred from previous years to finish the reprocurement: the design, purchase, and installation of (1) the Initial Move High Bay equipment for Pod 4; (2) the balance of the "wet" storage system for Pod 3; and the (3) the balance of the collections storage cabinets for growth areas in Pods 2 and 4. The Smithsonian currently estimates that it will cost from approximately $24.1 million to $31.4 million over several years to complete the purchase of these three types of collections storage equipment.

The design, purchase and installation of the High Bay storage system is the highest Smithsonian priority for acquisition after the reprocurement is complete, and the design of this system will begin as soon as FY 1991 funds are available. Because of the time needed to complete the design, however, it is very doubtful that the Institution could also award contract for procuring the equipment in FY 1991. If Congress approves the Smithsonian's request for No-Year funding for MSC storage equipment as part of the FY 1991 appropriation, the Institution would design the High Bay equipment in FY 1991 and reserve a conservative estimated amount of the balance of the FY 1991 funds for procurement of this storage equipment so that it could install the High Bay equipment at the earliest possible date.

The second highest Smithsonian priority, after the design and procurement of the High Bay Equipment, is the design of the "wet" storage system for Pod 3 Growth areas in order to provide a current cost estimate for its procurement.

After the Institution funded these two systems, it could use the balance of funds to begin the procurement of some of the growth storage equipment in Pods 2 and 4. The procurement of these growth storage cabinets is the most flexible in terms of acquisition of storage equipment for MSC at this time. The contracts under which the Smithsonian would purchase these cabinets are already in effect. The Institution would just need to add additional funding to the contracts to place an order for the desired quantities.

Until the design of the High Bay storage equipment system is complete, the Institution will not be able to determine the cost estimate for procuring and installing it well enough to know how much funding will be available during FY 1991 to either design the "wet" storage equipment for Pod 3 and/or to procure cabinets for growth areas in Pods 2 and 4. If sufficient FY 1991 funding is not available and/or the time available for procurement of design and procurement as well as the design itself is insufficient to contract for the High Bay equipment, and if Congress does not approve the Smithsonian's request for No Year funds for MSC collections storage equipment, then the Institution will procure cabinets for the growth areas in Pods 2 and 4 with any balance of one-year funds it has remaining in FY 1991 after the design of the High Bay and possibly also the design of the Pod 3 system.

Smithsonian Institution Press

Question 227: The request for the Smithsonian Institution Press is $15,000, for the Quincentenary, to support publication of the second and third volumes of research.

What were the costs associated with publishing the first volume, and what funds were used?

Answer: Costs of the first volume of Columbia Consequences (research, honoraria, composition, and production) were approximately $26,000 (with $22,000 from Trust funds and $4,000 from Federal funds). Volumes II and III are expected to cost about the same.

Question 228: How exactly will the $15,000 be used in 1991?

Answer: The requested funds will go for editorial development and research costs for these two volumes. No federal funds will go into actual production costs. The development of this project, involving more than 100 scholars, involves substantial research honoraria. The royalties from the sale of the books are contractually directed towards the establishment of an endowment for the support of the graduate education of Native American archeologists. (The project is being carried out in association with the Society for American Archeology.)

Office of Folklife Programs

Question 229: P. 223. The request for the Office of Folklife Programs includes an increase of $50,000 for the Quincentenary.

How is the balance of the base of $160,000 being used?

Answer: The Quincentenary base in FY 1990 is being used to help support: A scholarly symposium, "Seeds of Industry," the editing of volumes for publication based upon two previous symposia -- "Seeds of the Past," and "Seeds of Commerce," research and production costs for Quincentenary programs at the Festival of American Folklife, production costs of a film and monograph on the ritual life of Afro-Columbian miners, a planning meeting on a "Musics of the Americas" recording series, and a clerk-typist.

In FY 1991, Quincentenary funds will be largely devoted to research and production of a 1991 Festival of American Folklife program examining the pre-Columbian heritage evident in how Native Americans from across the western hemisphere use, know and conceptualize the land in music, crafts, foodways, ritual, healing, and their subsistence activities. Funds will also be used for clerk-typist and coordinator, as well as editing of the 1990 symposium.

Question 230: Will there be a "living exhibition" as part of this effort at the 1990 Festival?

Answer: There will be a living exhibition on the folk cultures of the U.S. Virgin Islands at the 1990 Festival of American Folklife. This will be the second in a series of programs at the Festival concerning the Quincentenary, following "The Caribbean: Cultural Encounters in the New World," presented at the 1989 Festival of American Folklife.

International Activities

Question 231: P. 235. The request for International activities is $990,000, an increase of $61,000. Included is $40,000 for the Quincentenary.

How is the base funding for this effort being used?

Answer: The Federal base funding of $84,800 for the Office of Quincentenary Programs is used in the following manner:

Salary and Benefits for a Program Specialist position	$36,000
Other Services, including contracts for editing and symposium and seminar participants.	$20,000
Support for travel of Quincentenary Program staff and for out-of-town participant to symposia, lectures, and planning meetings relating to the various programs and projects of the Quincentenary Program.	$10,000

Printing and Reproduction of a quarterly newsletter, brochures for symposia, Qincentenary brochures, and program announcement flyers.	$10,000
Equipment, supplies and materials	$10,000
TOTAL	$86,000

Question 232: Will the small traveling exhibitions planned for distribution to Native American communities be distributed through SITES?

Answer: As originally planned, the small traveling exhibitions developed through the American Indian Outreach Program would have been distributed by SITES to Native American educational and cultural centers across the country. The intention was to solicit outside funds to develop this program as a model for other similar programs for Hispanic and African American communities. However, the Institution has so far not been successful in identifying funds for this program, which would require a total of $350,000 over a three-year period.

Special Employment Initiative

Question 233: P. 243. The request for administration is $23,611,000, an increase of $3,272,000.

Explain the basis for the $248,000 request associated with the 4 workyears in the Special Employment Initiative.

Answer: In the Committee on Government Operations' House Report 101-391, The Challenge of Cultural Diversity and Cultural Equity at the Smithsonian Institution, recommendation 3 states:

> "The Smithsonian should retain and institutionalize its "Quick Hire" program as a means to increase and improve Minority employment presence at the Institution. Specifically, the Smithsonian should use this program to target those bureaus and offices where there are presently no minorities in research, curatorial or administrative positions."

The $248,000 requested for the third phase of the Special Employment Initiative, called Affirmative Cultural Transition (ACT), is based upon the projected salary and support costs, including travel, training, supplies and equipment, to establish 4 new mid-level professional positions in four Smithsonian bureaus where underrepresentation of minorities in professional positions continues to be a concern. This funding will permit the Institution to hire a curator for the Hirshhorn Museum, a curator for the Cooper-Hewitt Museum (both at the GS-12 or GS-13 level), a researcher for Smithsonian Astrophysical Observatory (at the GS-12 or GS-13 level), and a Supervisory Traveling Exhibition Specialist for the Smithsonian Traveling Exhibition Service (at the GS-13 level). The allocation would be divided evenly among the four bureaus as a $62,000 increase for each.

Payroll Base Deficiencies

Question 234: Provide additional details showing how the amounts included in the increases for payroll base deficiencies in 4 offices were determined.

Answer: The FY 1991 budget requests additional funding to address payroll base deficiencies in nine organizational units (incorporated in four different line-items). The amounts needed were determined by each of the offices, based on the comparison of its projected personnel costs for on-board positions for FY 1991 and its available funding to cover these costs, as shown in the chart below. These offices have experienced a gradual erosion of base funding over the last several years as a result of low turnover, staff promotions, pay increases, and/or the occasional need to fill vacancies at higher grades to be competitive in the recruitment market and attract the best available candidates. Small offices are salary intensive and have little flexibility to reprogram resources to cover unfunded payroll costs. The requested funding will restore the respective budgets to a "current services" level.

S M I T H S O N I A N I N S T I T U T I O N
FY 1991 FUNDING REQUIREMENTS FOR PAYROLL BASE DEFICIENCIES
(Dollars in Thousands)

Line-Item/Office	Projected Personnel Costs	Funding Available for Personnel[1]	FY 1991 Payroll Deficiencies
Asst. Secy. for Museums			
Office of the Registrar	178	132	46
Asst. Secy. for Public Service			
Office of the Assistant Secretary	364	330	34
Office of Telecommunications	284	258	26
Office of Public Affairs	681	641	40
Smithsonian Institution Press	1,275	1,219	56
Administration			
Office of the Inspector General	769	699	70
Office of the Treasurer	82	72	10
Office of Financial Mgmt. & Planning	344	324	20
Office of Equal Opportunity	383	341	42
	4,360	4,016	344

[1] Includes anticipated receipt of funding for annualization of FY 1990 legislated pay raise, partial funding of FY 1991 legislated pay raise, annualization of new FY 1990 positions, and an additional workday for FY 1991.

Question 235: Why is there an increase included for this purpose for Administration, since the justification notes that the deficiency is occurring in small offices?

Answer: As noted, four of the administration organizations which have payroll base deficiencies are included as part of the composite Administration line-item, which encompasses a number of such organizational entities. These other organizations within the Administration line-item, many of which are also small and/or have inadequate nonpersonnel program funds, do not have the capability to reprogram funds to these units to correct their shortages.

Workers' Compensation

Question 236: What is the overall increase in employee injuries or deaths which has resulted in the 30% increase in workers' compensation payments?

Answer: The increase was due to three primary factors. The first being the fact that during FY 1989 Smithsonian staff sustained 198 "recordable" on-the-job injuries, resulting in 1906 lost-duty days. This represents an 80 percent increase over the 1,059 lost-duty days recorded as a result of 114 "recordable" injuries in FY 1988. The second factor in the 30 percent increase is that there were a number of lump-sum cash payments made to the survivors of SI employees who had been on compensation. The final primary factor is related to the ever increasing medical expenses associated with treating on-the-job injuries.

Payroll Personnel System

Question 237: What is the basis for the $71,000 increase for the personnel payroll system?

Answer: The requested increase for the personnel payroll system is based on current projections of the cost of processing payroll and personnel data based upon charges by the National Finance Center (NFC) of the U.S. Department of Agriculture, located in New Orleans, Louisiana, and related communication services. The Smithsonian has, in effect, an interagency agreement with the National Finance Center covering the processing of the Institution's personnel records, payroll data and benefit allocations. Under the terms of this agreement, NFC charges the Smithsonian according to employee transactions. Thus, the actual cost varies with the number of employees and turnover amongst them, as well as actual NFC expenses. The FY 1991 increase reflects the actual increase in expenditures for FY 1989 NFC charges (which were $34,000 more than anticipated), and projected increased NFC charges for FY 1990 and FY 1991, based on the continuation of the FY 1989 turnover rate.

Inspector General Report

Question 238: The Office of the Inspector General was established in April, 1989, and the first semiannual report to Congress submitted in November, 1989.

How specifically is the Smithsonian addressing the three problem areas cited in the annual report: need to achieve full inventory control over collections; need to control inventories and cash receipts in the Museum Shops; and procedures for petty cash payments?

Answer: The Smithsonian is addressing the three problem areas cited in the Office of the Inspector General's November 1989 report, as indicated in the following summary:

Inventory Control Over Collections - The Inspector General's report refers to audits of the Smithsonian's two largest museum collections, that of the National Museum of Natural History and the National Museum of American History. Those audits recognized the existing inventory records already created for these collections, but recommended a total of thirteen action steps management should consider to ensure that controls over the data and the objects they refer to remain fully effective. Management agreed with each of these recommendations, and sought approval from OMB to include necessary implementing funding from the Congress as part of the FY 1991 budget. We were unsuccessful; the $783,000 requested was not supported.

Inventories and Cash Receipts in the Museum Shops - The Museum Shops inventory shrinkage in January, 1989 was 5.1 percent of sales. The retail industry average for specialty shops with over $20 million in sales was 1.6 percent in 1988 as reported by the National Retail Merchants Association 1989 edition of "Financial and Operating Results of Department and Specialty Stores." In response to the January, 1989 inventory result, Smithsonian management restructured reporting relationships within Museum Shops, enlisted the assistance of the Institution's Acting Inspector General, and took concrete actions to improve the protection of Smithsonian cash and merchandise assets. Specific actions have included the hiring of a Loss Prevention Manager with extensive retail security experience; the identification and protection of merchandise especially subject to high shrinkage; the installation of new locks, security alarms, mirrors and locked doors in public areas, merchandise stock rooms, and cash handling area; and several major changes in inventory procedures.

An improving trend began in September, 1989 when the shrinkage decreased to 2.49 percent of sales for the period January, 1989 - September, 1989. The shrinkage results for the most recent inventory for the period from September, 1989 to January, 1990 were 0.88 percent (about one half of the industry average). In a March 1, 1990 memo, the Smithsonian Institution Office of Inspector General determined after a post-audit of the January, 1990 Museum Shops physical inventory reconciliation that the 0.88 percent inventory shrinkage was properly reported.

In order to achieve this significant improvement expeditiously, priority has been placed on inventory shrinkage reduction through a series of awareness meetings at all levels in the Museum Shops organization. To avoid complacency with the interim success, a series of meetings and follow-up actions are and will be taken to maintain the appropriate emphasis on these matters.

Procedures for Petty Cash Payments - The Institution uses a four tiered system of controls to guard against fraud and embezzlement from the small purchase order and petty cash payments systems.

The first tier is the separation of the responsibility for authorizing an expenditure from that for controlling the funds to be used. The Office of Procurement and Property Management and the Office of Accounting and Financial Services maintain lists of the approved individuals throughout the Institution who are tasked with these separate responsibilities. The standard forms used in pay systems are checked when first initiated to determine that only authorized individuals have signed each required approval.

The second tier relates to enforcement of the policies, rules and training established to transact petty cash vouchers and small purchase order invoices. Petty cash and small purchase order documentation is scrutinized by trained technicians for compliance with all policies and rules to detect unauthorized purchasing.

The third tier is the financial reporting cycle. Each organization receives monthly reports of their transactions. Administrative Officers reconcile the unit transactions shown on these reports with their own records. Any discrepancies are reported to the Office of Accounting and Financial Services (OAFS) for research and resolution. This cycle ensures a constant feedback on the accuracy of the financial reports.

The last level of control is the audit phase which includes both informal and formal programs. Audits are performed by OAFS and the Inspector General as well as external agencies such as the DCAA, GSA, and the Institution's CPA firm, Coopers & Lybrand.

Question 239: Has the fulltime loss prevention officer been hired for the Museum Shops?

Answer: Yes, the position of loss prevention officer was filled on August 7, 1989.

Question 240: Has the suggestion to change warehouse contractors where necessary to correct suboptimal performance, as suggested by the Board's Audit and Review Committee, been addressed?

Answer: The Smithsonian Institution Press believes that performance can be improved by consolidating its three current warehouse operations into one. A new contractor has been selected and will begin in June.

Question 241: What is the status of the Fish and Wildlife Service scientist being investigated for illegal hunting while on a Smithsonian research trip? What amount of funds has the Smithsonian used to defend this scientist? What is the source of these funds?

Answer: Investigations of the U. S. Fish & Wildlife Service scientist, relating to allegations of unlawful importation of Chinese sheep tissue specimens for research and other activities carried out as part of his official duties while on detail to the Smithsonian Institution, began in June 1988 and are continuing. The ongoing investigation presently is the subject of discussions between the counsel representing the scientist and the Office of the United States Attorney. As of March 28, 1990, the amount of funds expended, as required by the Smithsonian indemnification policy, for representing the scientist in the investigatory proceedings relating to his activities on behalf of the Smithsonian was $261,799.42. The funds expended are from Federal appropriations.

Office of Inspector General

Question 242: There is a request of $31,000 and 1 workyear for the Office of the Inspector General.

How many auditors to pursue investigative work does the OIG now have?

Answer: The Office of Inspector General currently has no auditors available to pursue investigative work on a full time basis. All thirteen auditors on staff are assigned to the internal and contract audit staffs. To provide accounting expertise that is often required with white collar crime investigations, auditors are temporarily taken off assigned audit teams and assigned to an investigative team. However, these reassignments are disruptive to the audit process and often result with delays in the completion of the assigned audit. The requested position will provide the investigative staff with a dedicated position with accounting expertise.

New Accounting System

Question 243: There is a request of $505,000 and 13 workyears for the Office of the Treasurer, to support the new Financial Accounting system.

Explain what is involved in documentation of the system.

Answer: Documenting the system involves writing text and flow charting how the system works. Computer hardware and software, data input and output locations, security, controls, processes, and personnel are some components that are specified in system documentation. Changes to any component require revision of the documentation.

Documentation is an essential element for the success of the operation of any system or procedure. Both internal and external auditors have identified problems associated with lack of documentation in the Institution's current accounting system. Additionally, they continue to emphasize that full and complete documentation is critical to the success of the new system.

Without documentation of a system there is no record of how things are supposed to work. This means duties and responsibilities can't be assigned, staff can't be held accountable, there is no basis for training staff, there is no basis for evaluating effectiveness, etc. Without proper upfront documentation an organization will spend double or triple the time and money to operate their system over the long run. For example, an undocumented software program can't be modified for even a minor change, rather the program would have to be rewritten from scratch. Documentation is the key to efficiency.

It should be further noted that the new accounting system is not one-dimensional. It contains numerous subsystems, each of which consists of numerous computer programs, processes, procedures, and staff interactions. Therefore, the documentation of each of these subsystems will not only be critical in understanding the specific subsystem in question, but also essential in understanding what effect changes in one subsystem will have on the other subsystems.

Question 244: How many computer systems analysts and specialists are currently on the staff?

Answer: Two computer system analysts and five computer specialists are on the staff of the Office of Accounting and Financial Services.

Question 245: What is the basis of the amount of $50,000 for communications software?

Answer: The computer configuration (mainframe, mini-computer, printers, etc.) will be drastically different from the present configuration and will require different communication software to allow each computer device to send and receive data among all devices.

Question 246: What specific increase in the PC user base will result from the increase of $60,000 for this purpose?

Answer: The Office of Accounting and Financial Services expects to procure twelve PC systems at $5,000 each and thus add twelve users.

Question 247: How many accountants and technicians were added with the increase provided in 1990?

Answer: The increase provided in FY 1990 included two systems accountants, one accountant and seven accounting technicians (four full-time permanent and three temporary positions).

Question 248: Do you plan to automate the reconciliation process?

Answer: The reconciliation of accounting records is a critical internal control function, since it exposes unauthorized transactions and transactions omitted either intentionally or unintentionally. Currently, all reconciliations are essentially done by hand. Staff time available to perform reconciliations is approximately the same as ten years ago, while the number of accounts and the volume of transactions have increased eight-fold. As indicated in both past and present audit reports, this situation has led to inaccuracies in accounting postings that could have been avoided if accounts were reconciled in a more timely and complete manner. The requested funding will allow the Office of Accounting and Financial Services to hire three accountants and three accounting technicians to operate an account reconciliation program that meets the requisite standards of timeliness, completeness, and audit worthiness. This increase will enable the Institution to eliminate one of the most critical audit deficiencies identified by the Institution's Office of the Inspector General.

To a certain extent, the present process is automated in that the computer collects account data and formats it into a readable form for interpretation. Our plan is to take it one step further and program the computer to edit the data for selective error situations and to report errors found. To complete the reconciliation process requires that an accountant or technician analyze the account and perform additional checks and balances such as: validating financial transactions to source documents or validating an account balance to an external source, i.e., a bank, creditor, customer.

Question 249: How many systems accountants are currently on board? Why are two more required in order to update accounting policies and procedures?

Answer: The Office of Accounting and Financial Services has four systems accountants on board. One is assigned to accounting policies and procedures; one is assigned to the payroll system, and two are assigned to the accounting system. Two additional systems accountants assigned to accounting policies and procedures will significantly reduce a longstanding backlog in updating present policies and procedures, and assist in identifying those that require revision as a result of the new accounting system. Recent audit findings have resulted in recommendations to review and update policies and procedures in several different areas. Further, other areas have been identified where there are no formalized policies and procedures.

Office of Information Resource Management

Question 250: For the Office of Information Resource Management, there is a request for $952,000 and 4 workyears.

What is included in the request of 1 workyear and $80,000 to improve the planning capability?

Answer: This request will allow OIRM to hire an information resource management planner (1 workyear and $67,000) to establish and lead Smithsonian information technology planning activities. This position will be responsible for advancing and refining the draft long-term information resource management plan developed by various committees such as the Information Systems Synthesis Group. In addition, the request includes $13,000 to fund operating expenses for the new position.

Since FY 1985, the Office of Information Resource Management has taken an active role in the budget formulation process, ensuring the consistency of Smithsonian bureaus' budget plans for automation with the Institution's central automation effort. For the most part, the Institution's earlier efforts in information resource management planning grew out of this budget review and concentrated on very short-term planning horizons. During the past year, OIRM has broadened its planning process to begin to undertake more long-term planning. To date, however, on-board staff has had to be diverted on a temporary basis from their regular responsibilities to provide part-time support for this planning activity. This increase will enable OIRM to establish a formal information technology staff to undertake planning on a permanent, full-time basis, while freeing current staff to work on their primary responsibilities.

Continued development of this long-term information resource management plan will greatly enhance the Institution's ability to design and develop its information systems, avoiding the development of incompatible systems in the future.

Question 251: What is the internal system for approving purchases of information technologies equipment and systems? Why hasn't more control been exercised in order to avoid incompatible systems?

Answer: Although purchases of equipment and systems must have the approval of the Office of Information Resource Management (OIRM), over the years pressures

have been strong to develop computer solutions to individual problems as they arise. In the absence of adequate resources relative to other research/education organizations, the only alternative has been piecemeal, relatively low cost approaches rather than comprehensive and compatible systems. The new management of OIRM has taken comprehensive steps to assess user needs, to move into the direction of more standardization, and bring resource capacity up to a level comparable to other similar organizations.

Question 252: Why shouldn't the Institution-wide plan be completed before any further major systems development is initiated? How long will the plan take?

Answer: A draft Institution-wide outline for a plan will be completed by October 1990 drawing upon the articulated needs of users. This outline is being developed through the partnership of OIRM and the user community. During FY 1991, the new information resource management planner will continue to develop the outline into a credible information systems plan. Planning will have to be routinized on an annual basis to continue to match technology advancements with new and changing needs. The requested increases only represent resources necessary to plan for maintenance of existing systems and to assure continued progress in current key automation efforts, such as collections management.

Question 253: Provide a breakdown of the request for 3 workyears and $227,000 for development.

Answer: This request will allow OIRM to hire three computer systems analysts and programming positions (3 workyears and $144,000) to continue the advancement of automated collections information systems currently under development by OIRM's in-house staff. One position is targeted to natural science collections automation; one position for American history collections automation; and one position for administrative systems automation. An additional amount of $83,000 covers specialized contract support in these three areas.

Question 254: What specifically is included in the request of $645,000 for additional computer capacity?

Answer: The Institution must expand its central computing systems capacities to accommodate increased usage and the completion of systems development currently in progress. This expansion will include the purchase of additional processors, disk storage units, computer terminals, and communications equipment, as well as software for operating systems and utilities for use with the additional hardware.

Approximately $410,000 of the increase is needed to expand the hardware and software capacity for the Smithsonian Institution Bibliographic Information System (SIBIS) to accommodate the increase in usage relating to such applications as the Museum of American Art's Index of American Paintings and the Museum of Natural History's National Anthropological Archives; and to cover the increasing costs of maintenance charged by the company who developed the system.

The balance of the increase (approximately $235,000) is needed to expand the hardware and software capacity for the Institution's IBM central computer system to accommodate the increased workload in such applications as the collections data bases for the Air and Space Museum and the Museum of Natural History's Entomology

collections; and to support additional applications under development, such as for biodiversity and other scientific research, and the new accounting system.

Question 255: Explain what is meant by the completion in 1992 of systems migration from the Honeywell.

Answer: Several years ago the Institution acquired an IBM computer system to replace an older Honeywell computer. We are currently in the process of moving applications from the Honeywell to the new computer in order to remove the hardware and eliminate the escalating maintenance costs of the outdated equipment. The migration is due to be completed in FY 1992, at which time the Institution will be able to discontinue use of the old Honeywell computer.

In order to complete the migration by the scheduled deadline, the Institution must develop applications on the new IBM computer that are compatible with the old applications of the Honeywell. This will allow the remaining data files still on the Honeywell to be converted for use on the IBM computer. The consequences of not completing the migration of these applications to the new central computer in a timely manner will be the prolonging of the use of incompatible systems, making it impossible to modernize the Institution's automation needs. Replacement parts for the old Honeywell computer are costly and difficult to find. Maintaining old and obsolete computers indefinitely will jeopardize the integrity of the Smithsonian's computer applications and data.

Office of Personnel Administration

Question 256: There is a request of $426,000 and 9 workyears for the Office of Personnel Administration.

When was the new personnel authority given to the Smithsonian, and when will it be implemented?

Answer: The Smithsonian received delegated examining authority on June 1, 1988. The Institution began to staff this authority on an interim basis during FY 1988 with salary lapse generated by unfilled vacancies elsewhere. The FY 1991 request would establish a permanent base of support to staff this new function, which has already proved of great value in more prompt hiring of professional, curatorial and other employees.

Question 257: Other than application of the general standard, what are the specific problems that need to be addressed by the addition of 4 workyears and $150,000?

Answer: The requested increase will allow the Office of Personnel Administration to hire 2 additional personnel management specialists and 2 additional personnel assistants. These staff are sorely needed to keep pace with the current and projected levels of service required by the Smithsonian's more than 80 independent bureaus and offices. Current staff are handling over 12,000 personnel actions per year which include classifications, recruitments, merit promotion, retirements and various disciplinary/adverse actions. Personnel staff are also expected to assist in Smithsonian affirmative action outreach activities, consult on position management changes and keep their "customers" fully informed as to the status of all ongoing actions. Finally, the Institution itself has

expanded both in terms of employee population and new initiatives, such as the National Museum of the American Indian.

All of these factors -- recent growth in Smithsonian employees, expansion of programs and changes in program emphasis, and demands for more timely, accurate personnel services -- have stretched the capabilities of current staff and require increase levels of staffing to support the expanding workload. Furthermore, the Institution is now in the process of selecting a human resources director to reshape and move our personnel function more actively into support for managers and employees. New staff will be essential to that initiative.

Question 258: What else is included in the request in addition to salaries?

Answer: The requested increase for the Office of Personnel Administration includes a total of $100,000 in program support, in addition to the salaries and benefits costs. The establishment of the Delegated Examining Authority unit includes $79,000 to provide related base funding for supplies and materials, equipment, contractual services, and communications. The additional support for current operations includes $21,000 for supplies and materials, equipment, and contractual services.

Additional Space Requirements

Question 259: There is a request of $201,000 for additional space rental requirements.

Explain what is meant by the development effort requiring expansion in the Arts and Industries building? What exactly is involved, and when will it occur?

Answer: In connection with the Institution's efforts to increase its general fund raising potential, we have added staff in the Office of Membership and Development. This staff needs to be on the Mall to meet and cultivate prospective donors. Since the Arts and Industries Building is full to capacity, some adjustments in current space assignments will be necessary to accommodate them.

Question 260: Is 5,000 sq. ft. the total amount of new space you plan to acquire, or only the Federal share?

Answer: The total amount is 7,100 square feet of which 5,000 sq. ft. is the Federal share.

Question 261: What is the basis for the estimate of $31.00 per sq. ft. cost for the additional space?

Answer: The estimate of $31.00 a square foot is based on present costs of space rental at L'Enfant Plaza escalated to FY 1991.

Question 262: What are the total costs of preparing the new space, and how were they determined?

Answer: The estimated total cost of preparing the new space is $65,000 ($46,000 of S&E funds and $19,000 of trust funds) which amounts to a one-time expenditure of about $9.20 a square foot based on our experience with space preparations at L'Enfant Plaza.

Question 263: What is the amount of space that will be freed up by this effort, and how exactly will it be used?

Answer: Approximately an equivalent amount of 7,100 square feet will be freed in the Arts and Industries Building although precise amounts depend on comparative configurations and on the need to provide somewhat more space in the new location to facilitate work. Since, as noted in the justification, the Arts and Industries Building is becoming increasingly devoted to program purposes, the most likely candidate for relocation to the Plaza is a portion of the Office of Information Resource Management, a support activity. This follows the precedence of the move of the Office of Personnel Administration and other administrative units.

Question 264: Provide a breakdown of your administrative staffing, allocated among Federal and Trust, the numbers currently at L'Enfant Plaza and amount of space there, numbers at Mall locations and amount of space, and how these numbers will change based on your plans.

Answer: The breakdown of office space leased in L'Enfant Plaza and those administrative offices resident in the Arts & Industries Building (which, with the exception of the Castle, provides the majority of the central administrative space on the Mall) is as follows:

	FTPs Federal	FTPs Trust	FTPs Auxiliary	Sq.Ft.
L'Enfant:				
Administrative Offices	223	149	0	56,584
Programmatic Offices	85	22	43	34,975
Arts & Industries	87	72	15	28,303

The expense allocation for applicable administrative space is based on the overall Institution ratio of Federal and Trust program salary expenses (about 70 percent and 30 percent respectively). It is difficult to predict how the square footage listed above might change over the next year. However, as the Arts and Industries Building is becoming increasingly devoted to program purposes and is full to capacity, the Institution will need to relocate administrative staff to L'Enfant Plaza. The most likely candidate for relocation is a portion of the Office of Information Resource Management.

Administrative Service Center Proposal

Question 265: The Smithsonian recently planned to issue a solicitation for offers for a new Administrative Service Center, which would replace the existing warehouse and support facility on North Capitol St, as well as support spaces on the Mall. The new space would total 300,000-400,000 sq. ft. of space, and would be acquired under purchase or lease. Has this solicitation been issued?

Answer: Yes, the Solicitation for Offers was issued on March 12, 1990.

Question 266: If so, when are proposals due, and when would you expect to issue a contract? What is the estimated amount of any such contract, and when would it be issued? What would be the source of funds for the contract?

Answer: Proposals are due by mid June 1990. Given the need for intensive review of the offers, including program and financial data, negotiations with the most attractive offers and prior consultation with the Office of Management and Budget and Congress, it is not likely that a contract could be executed before late summer or early fall. Until offers can be reviewed, we do not have an estimated amount of such a contract. It is expected that the financing will be a lease-purchase form of acquisition.

Question 267: Why is a new facility necessary?

Answer: The present Administrative Service Center on North Capitol Street is approximately 165,000 square feet. This space is inadequate to meet current needs of the occupants. The Institution also needs additional space near the Mall in which to relocate a number of support functions now occupying space in Mall museums which should be returned to public use. The July 1989 Program of Requirements report prepared by the firm of E. Verner Johnson and Associates, Inc. concluded that such a center should have 300,000 to 400,000 square feet to meet the Smithsonian's current and projected needs for this kind of space.

Question 268: How are the support functions to be housed in the proposed facility different from those now housed or planned to be housed in the Museum Support Center?

Answer: The Museum Support Center is dedicated to the storage and conservation of museum specimens and collections, primarily those of the Museum of Natural History and to a much lesser extent those of the Museum of American History. The Administrative Service Center is a mixed use/light industrial facility accommodating the following types of activities: warehouse, shipping and receiving; craft and trade workshop (carpentry, plumbing, electrical, sheetmetal, etc.); printing and bindery; exhibit fabrication; vehicle maintenance; employee training in security and other topics; and a computer center. Some Library and archival materials are also stored at the Service Center on an interim basis because of lack of space in other facilities.

Office of Design and Construction

Question 269: P. 257. The request for the Office of Design and Construction is $2,901,000, an increase of $86,000.

What does the increase of 1 FTE represent.

Answer: The increase in the workyear total from FY 1990 to FY 1991 (1 workyear) represents the annualization of three new positions approved for FY 1990 to support the R&R program, and does not reflect a programmatic increase for FY 1991. Due to the 25 percent salary lapse assessed by Congress for each of these three positions, only 2.25 workyears (rounded down to 2 workyears) is

reflects in the FY 1990 estimate. The balance of the workyears associated with the annualization of the partial-year funding of these positions in FY 1991 - 0.75 workyears (rounded up to 1 workyear) - is included in the FY 1991 Necessary Pay Requirements for the Office of Design and Construction.

Question 270: P. 260. The request for the Office of Protection Services is $24,437,000, an increase of $584,000.

Why is the base for personnel compensation shown as $16.4 million, when the 1990 request was $17.3 million?

Answer: This year, the Office of Protection Services (OPS) adjusted the distribution between salaries and benefits to reflect a more accurate representation of costs in these categories. (The increase in the percentage of benefits is primarily attributable to the increase in the number of OPS staff now on FERS.) OPS's FY 1990 base for both salaries and benefits is shown as $19.8 million; the FY 1990 request was $20.1 million.

There are several other factors contributing to the difference in the FY 1990 estimates for salaries and benefits for the Office of Protection Services, as presented in the FY 1990 and FY 1991 budget justifications. FY 1990 Congressional action included a reduction due to the revised lower requirement for the special pay schedule for guards (-$362,000); an add-on for 10 guard positions (+$255,000); and the Gramm-Rudman-Hollings reduction (-$318,000).

In addition, in preparing the answer to this question, the Institution discovered an error in OPS's FY 1990 base column in the FY 1991 budget justification. For each line-item in the FY 1991 budget submission, the FY 1990 base column reflects an adjusted base which includes the current year pay raise requirement, although there are actually no funds in the FY 1990 budget for this cost. For most of the Institution's bureaus and offices, the adjustment to restore funds applied to cover the unfunded cost of pay went into various other objects of expense. In other words, in "restoring" the pay requirement to create the adjusted FY 1990 "base," the Institution increased other objects of expense. However, in the case of the Office of Protection Services, the Office is actually absorbing the additional cost of the pay raise by holding open vacancies. OPS's FY 1990 "base" therefore should have had $514,000 "restored" directly to salaries and benefits; it was mistakenly restored to object class 25, other services.

Questions 271 & 272: In light of the recent theft at the Gardner Museum, what instructions does the Smithsonian give its guards regarding letting people in the Museums after hours?

What are the specific guard shortages the Smithsonian has identified, by location, and the current or future impacts of these shortages? Provide a breakdown for the record.

[ANSWERS HAVE BEEN PROVIDED OFF THE RECORD]

Utilities

Question 273: P. 265. The request for the Office of Plant Services is $42,966,000, an increase of $4,888,000. Included are increases of $4,213,000 for utilities and $265,000 for rent.

Explain how the 1990 base for electricity (p. 24) is derived.

Answer: The FY 1990 base figure of $6,633 as shown on Page 24 was derived as follows:

FY 1989 Base (without reimbursement)	$ 6,924
Less estimated base surplus	-307
FY 1990 Request to Congress	6,617
FY 1990 Congressional Reductions	- 428
FY 1990 GRH Reduction	- 216
FY 1990 Base Addition (NMAH Fullerton Utilities)	+ 60
FY 1990 Estimated Reimbursements	+ 600
FY 1990 Base	$ 6,633

Question 274: Why did electricity usage in 1989 exceed your estimates by over 4 million KWH?

Answer: The major component of the 4 million KWH usage increase was the new NASM Restaurant (2.8 million KWH). The Smithsonian's original consumption estimate for this facility did not adequately factor in the effect of an all glass enclosure or the effect of the number of people using the facility. Both these factors have resulted in the significant increase in consumption. This increase is offset by an increase in projected reimbursements from the concessionaire, which is reflected in the estimated cost. Also, significant consumption increases (1.1 million KWH) have been realized at the NZP as a result of the new facilities that have opened. The new facilities have replaced many non-airconditioned ones with fully integrated heating, ventilating and air conditioning equipment. Other increases in consumption have also occurred across the Institution because of the increased use of automation for basic operations.

Question 275: Explain what is meant by full occupancy of the MSC pods in 1991.

Answer: The MSC pods have been unusable for a number of years due to delays associated with the construction of a suitable collection storage equipment system to accommodate the collections. By the end of FY 1990, the collection storage equipment system installation is expected to have proceeded to a point that will allow for the movement of collections into the pods in FY 1991. Once collections are introduced into the pods, the HVAC systems must be operated year round, 24 hours a day to allow for the proper preservation of the collections. While it is a fact that the movement of all collections expected to be stored in the pods will take several years to complete, proper environmental conditions must be maintained as soon as the first items are moved. Hence our utilities consumption will increase immediately to a level almost equal to the level expected when the pods are fully occupied.

Question 276: What are the new facilities at SAO that will contribute to the increase?

Answer: The Institution is currently constructing a new base camp at the Fred L. Whipple Observatory in Arizona, using funds appropriated in the FY 1989 and 1990 Construction account. The base camp, which includes administrative, maintenance and public buildings, is scheduled to begin operation in January 1991. In addition, a new dormitory building constructed with Repair and Restoration of Buildings funds provided in FY 1988, is scheduled to begin operation in late spring of 1990. These new facilities replace much smaller facilities and will therefore contribute to increased electrical costs and consumption.

Question 277: What are the increased costs related to the Air and Space restaurant, and the related reimbursement?

Answer: The increased costs related to the Air and Space Restaurant result from the increase in utilities consumption described in a previous answer. The concessionaire is required by contract with the Smithsonian to pay the actual costs of all utilities used in the restaurant operation. In prior years, the concessionaire operating the food service in the former third floor cafeteria reimbursed the Smithsonian for only the utilities used in connection with actual food preparation and serving. This significant change in contract requirements resulted in an additional reimbursement of approximately $185,000 in FY 1989 over FY 1988. This increased reimbursement completely offsets the increased cost of utilities for the new restaurant.

Question 278: What was the reason for the large increase in steam usage in 1989? Given warmer winter weather recently, why do you expect this level of usage to continue?

Answer: The 15,200,000 lbs. increase in steam usage for FY 1989 over FY 1988 was largely concentrated in two buildings, the Museum of American History (8,500,000 lbs.) and the Air and Space Museum (5,700,000 lbs.). The Air and Space Museum usage increase was associated with the new restaurant, which opened in September 1988. The American History Museum usage increase was caused by three factors. The first was the fact that a major window replacement contract was in effect for the entire year, continually exposing various parts of the building to direct outside air. The second was the replacement of major heating, ventilating and air conditioning equipment in the building with equipment utilizing steam for humidification. The old equipment used an evaporative spray process for humidification. The third is the fact that the phased renovation of the facility precludes final balancing of the HVAC system until the entire project is completed in about three years.

While it is true that the 1989-1990 winter was unusually warm, there is no guarantee that this weather pattern will continue in FY 1991. The Institution's projection of steam consumption for FY 1991 assumes a resumption of a more normal weather pattern, along with continued increased usage at the Air and Space Museum and the American History Museum.

Question 279: What is the basis for the increase in the gas unit cost in 1989? Why was usage down from your estimate, as well as from the previous year? Why do you think it will go back up in 1990 and 1991?

Answer: The average unit cost increase for gas in FY 1989 resulted from a gas rate increase approved for the Washington Gas Company (4 percent) which became effective in March 1989, and increases in the cost of propane gas which is reflected in the gas cost (usage is not reflected in the gas consumption because of a different standard of measurement).

Actual gas consumption for FY 1989 was less than actual gas consumption for FY 1988 due to the termination of the lease of the building in Rockville that formerly housed the Radiation Biology Laboratory. Actual gas consumption for FY 1989 was also less than our estimate due to the early release of the former Museum of African Art buildings on Capital Hill, and the replacement of old, inefficient gas space heaters at Silver Hill and the National Zoological Park with more energy efficient space heaters. These three actions resulted in a consumption reduction of 79,167 cubic feet of gas. However, the reduction was offset by a gas consumption increase of 25,000 cubic feet for the NASM Restaurant, for a net consumption reduction of 54,000 cubic feet between our actual and estimated FY 1989 consumption figures.

With five months of actual data available for FY 1990, our current consumption estimate for the entire year is 1,259,000 cubic feet against our budget estimate of 1,275,000 cubic feet This increase over actual FY 1989 is attributable to the increased consumption experienced during the severe cold weather in December 1989, as well as consumption increases associated with new facilities in New York (Fox House), Fred L. Whipple Observatory (base camp and dormitory) and the National Zoological Park. It is anticipated that the current FY 1991 estimate of gas consumption will be reached, especially if the move into the Museum Support Center pods occurs as planned in FY 1991.

Question 280: What is the basis for the amount included for D.C. water and sewer costs ($2.7 million) in both 1990 and 1991?

Answer: The estimates for the FY 1990 and FY 1991 funding required to cover D.C. water and sewer costs were provided by the Office of Management and Budget and were based on cost projections made by the District of Columbia Budget Office.

Question 281: How are these costs being covered in 1990?

Answer: In order to cover the FY 1990 costs for D.C. water and sewer payments, the Institution implemented a one-time across-the-board reprogramming of funds from all budget line-items in the Salaries and Expenses appropriation.

Question 282: What is the impact of the 1990 reduction in postage costs, based on legislation that was to be introduced? Are there further plans related to this legislation?

Answer: Since the Administration has not implemented its proposed separate class for government mail, there has been no reduction in postal costs for the Institution. Accordingly, the impact of the 1990 reduction of funding associated with this planned governmental postal class has resulted in a base shortage of $328,000 for postage costs in FY 1990. The Institution's FY 1991 budget request seeks the restoration of this funding. The Institution is not aware of any further plans to introduce this legislation.

Question 283: The increase for rent is $265,000.

Explain how the increases in the 1990 amounts for L'Enfant Plaza and Fullerton were determined, compared to the 1990 column in last year's budget.

Answer: The increased FY 1990 amounts for L'Enfant Plaza and Fullerton reflect funding appropriated in FY 1990 to the Administration line-item and the National Museum of American History line-item, respectively, for additional space. The Smithsonian reflects requests for new space in the line-item of the requesting organization. When the request receives Congressional approval, the Institution transfers the funds into the central rent account.

Question 284: Since the overall increase for L'Enfant Plaza is $366,000 or about 14%, why is the Federal share increasing by 16% while the Trust share increases by 11%?

Answer: The increases should have been proportionate. Therefore, the Federal share of the estimated costs for FY 1991 should be $1,611,000 and the Trust share $1,411,000, thus reducing the Federal need by $37,000.

Question 285: Why are the percentages represented by Federal and Trust changing in 1991 to 55/45%, compared to 53/47% in 1990?

Answer: The percentages should remain constant. See answer to Question 284.

Repair and Restoration of Buildings Backlog

Question 286: P. 273. The request for Repair and Restoration of buildings is $28,656,000, an increase of $1,887,000.

The backlog of repair and restoration projects is now $229 million, compared to an estimate of $197 million.

What has resulted in the increase in the estimated amount of the backlog?

Answer: Our definition of the backlog of essential maintenance and repair includes all existing repair, restoration and code compliance requirements for which funding is not yet available. Although the backlog is adjusted annually to deduct those projects which have received funding, the backlog is also adjusted annually to reflect inflation costs for those projects which were listed and were not funded. Also, new projects continue to be added to the backlog each year as a result of annual or biannual inspections by staff in the Office of Plant Services, the Office of Environmental Management and Safety and technical consultants. The natural aging process of the buildings, exacerbated by heavy public use and demands for exacting climatic conditions contributes to the ongoing deterioration of the building components, systems and equipment. As conditions worsen, or as new life safety and health regulations require modifications, projects for which funding is not available are added to the backlog listing.

Question 287: Do you anticipate further significant changes to this estimate?

Answer: If the Smithsonian receives consistent funding levels for R&R, the current backlog figure of $229 million will gradually decline over the next several years, although new projects will continue to be added to the backlog. The Institution projects that a consistent funding level of approximately $35 million annually (in FY 1991 dollars) will eliminate the backlog within eight to ten years. While an annual amount larger than $35 million would speed completion of the work, the increased volume of work would require a substantial increase in staff to manage and implement the program, and cause unacceptable disruption to the Smithsonian's public programs.

Question 288: What were the actual obligations in FY 1989, versus the estimated, and the carryover into 1990; and your current estimate of obligations in 1990, and estimated carryover into 1991?

Answer: The information on obligations and unobligated carryover for the Repair and Restoration of Buildings account for FY 1989 and FY 1990 follows:

FY 1989: Actual obligations for FY 1989 were $17,845,518, compared to the Institution's earlier estimate of $18,695,206. The unobligated carryover at the end of the fiscal year was $18,469,735.

FY 1990: As reported in the Budget of the United States Government 1991, estimated obligations for FY 1990 are $21,918,000, with an estimated unobligated carryover at the end of the fiscal year of $23,021,000. As of April 4, 1990, actual obligations were $2,737,784, with additional work totalling $10,631,353 awaiting competitive bid or contract award.

The Institution has been concerned about the rate of R&R obligations in past years, and plans to reprogram approximately $6 million during FY 1990 to fund important repair projects that are designed and ready to bid and obligate. A portion of this reprogramming ($4.6 million) which is within the subaccount categories (or "line-items") of the R&R account, was completed in May, and work will be bid and awarded this summer. The balance ($1.4 million) will represent a reprogramming between subaccounts. The Smithsonian will request Congressional approval for this reprogramming between subaccounts this summer which will allow completion of the Freer Gallery Level repair project.

The reprogramming actions will enable immediate action on a number of urgent projects which are currently budgeted for FY 1991 or FY 1992. In addition it will allow the Institution to obligate R&R funding that could otherwise not be obligated in FY 1990, thus reducing the unobligated carryover. FY 1991 funds requested for projects to be started in FY 1990 will be used to restore funding to the original projects.

Based upon this planned reprogramming of funds, the current estimate of FY 1990 obligations is $30,838,000, with the unobligated carryover at the end of FY 1990 of $14,099,735.

Major Capital Renewal

Question 289: Under Major Capital Renewal, there is a request of $3,790,000 for the American History building.

Why are the funds appropriated in 1988 ($1.6 million) now identified as being used for work in the east quadrant, when they were planned for the west central quadrant?

Answer: The implementation of the Master Plan work was adjusted to coincide with the installation of major exhibits so that disturbance to certain areas would be minimized and occur only once. Two exhibitions, "A More Perfect Union" and "Ceremonial Court," were scheduled for installation in 1988 in the east quadrant and thus the Master Plan work was changed to that quadrant instead of the west central.

Question 290: The 1989 funds (2.1 million) were to cover the west quadrant; why are they now identified for the west central quadrant?

Answer: The implementation of the Master Plan work was adjusted to coincide with the installation of major exhibits so that disturbance to certain areas would be minimized and occur only once. The "Information Age" exhibit was scheduled for installation in 1989 in the west central quadrant and thus the Master Plan work was changed to that quadrant instead of the west.

Question 291: The 1990 funds (3.7 million) were to be used for the east central quadrant, but are now being used for the west quadrant; explain.

Answer: The implementation of the Master Plan work was adjusted to coincide with the installation of major exhibits so that disturbance to certain areas would be minimized and occur only once. The American Sciences exhibit was scheduled for installation in 1990 in the west quadrant and thus the Master Plan work was changed to that instead of the east central.

Question 292: How much of the 1990 funds are being used for design, and what will this design cover?

Answer: $275,000 of the 1990 funds will be used for design of the next phase. Design funds are programmed one year in advance of the construction funds.

Question 293: The request for the Natural History building is $10,140,000.

What are the current estimates for design and construction of the new underground chiller plant, for which funds were provided in 1990? Has design been initiated? When will construction begin?

Answer: The total cost for design and construction including construction management is currently estimated at $12.5 million. This includes $770,000 for design, $11.2 million for construction, and $560,000 for construction management. Design has been initiated and the projected start date for construction is early 1991.

Question 294: What is included in predesign work for the entire renovation project? What portion of the 1990 funds will be used for this purpose, and will this complete this effort?

Answer: The predesign work will determine the most appropriate phasing of the project, and establish annual funding requirements. The process involves evaluation of the necessary sequence of work, review of logistical considerations and assessment of the impact of the work on museum operations. Preliminary design

work will also be accomplished on the east and west wing penthouse and window replacement for both wings. The Institution will spend approximately $200,000 in FY 1990 to complete this predesign work.

Question 295: Provide a breakdown of the estimated costs of the construction of the penthouses.

Answer: The total cost for the two penthouses is currently estimated to be $3,000,000, excluding the purchase and installation of mechanical equipment. The planning estimate detailed below for each penthouse does not include mechanical equipment to be installed during later stages of the project. The electrical cost is for lighting only and does not include the electrical work required as part of the mechanical equipment installation. The final cost estimate of construction will not be available until design is complete.

Estimated Cost Per Penthouse:	
Design	$ 120,000
Construction	1,313,000
Construction Management	67,000
Total for each Penthouse	$1,500,000

Question 296: How much of the 1990 funding is being used, or is estimated to be used by the end of the year, for emergency replacement of electrical and HVAC equipment?

Answer: The Smithsonian has used $297,000 of interim corrective measure funds for the removal of asbestos from the East Court Mechanical tower in preparation for needed repairs to the reheat coils in the air handling equipment. Another $30,000 will be used in the FY 1990 for asbestos monitoring during removal. Office of Plant Services staff will perform the repairs to the equipment once the asbestos has been removed. The remaining interim corrective measure funds will be held in reserve for emergency replacement of air handling equipment which may fail or require major refurbishing.

Question 297: How much of the 1991 estimate do you think will be required for this purpose?

Answer: The Institution plans to spend $500,000 in FY 1991 to replace obsolete electric panels throughout the Natural History Building. An additional $150,000 will be held in reserve to replace reheat coils and on air handling equipment on an emergency basis.

Question 298: What is the next phase of construction, for which design and specifications will be completed with 1991 funding?

Answer: The 1991 funding will complete the design and specifications for the new East Wing and West Wing penthouses and the window replacement in the East and West Wings.

Question 299: Is any relocation of staff and collections occurring in 1990? If so, what are the estimated costs?

Answer: At the present time, the Institution does not foresee actually relocating staff or collections in FY 1990 because of the HVAC renovation project. The first segments of the HVAC project require little relocation of programs. This work includes window replacement and construction of the East and West Wing penthouses for new mechanical equipment. While this work is underway, the Museum will assess in detail the impact of the project on their programs and activities and will plan for the orderly movement of staff and collections once the East Court building is available for use as "swing" space. Funds provided for relocation will be used to identify requirements and logistical problems and to develop schedules and cost estimates in relation to each phase of the project. The Institution expects to spend $250,000 on the first increment of relocation planning in FY 1990, and will develop an estimate of FY 1991 expenditures once the final schedule for phasing the HVAC project is available this summer.

General Repairs

Question 300: The request for general repairs is $3,935,000.

Explain what is involved in the damaged areas in the Arts and Industries building, for which $165,000 is included?

Answer: The interior plaster walls of the Arts & Industries Building were last repaired and repainted prior to the opening of the current exhibit in 1976. Prior to the roof rehabilitation project that occurred in 1978 thru 1986, water leakage damaged some areas of plaster, paint and decorative stenciling. The requested funds will repair and refinish walls in the rotunda and in the adjoining exhibit halls.

Question 301: What is the problem with the snow melting system at Air and Space, for which $300,000 is requested?

Answer: The original design of the building provided electric heating elements which were placed in the garage entrance and exit ramps. Many of these heating elements failed over time, and in 1986 the entire heated ramp system was replaced. A limited number of the new replacement units have now failed. It is suspected that this is due to water leakage through the junction boxes. The Institution will use the $300,000 to verify the source of the problem and to replace the failed sections of the heated ramp system. Since the replacement project in 1986 allow each defective element to be removed and replaced separately it is possible to replace only the damaged units rather than the entire system.

Question 302: What is causing the suspended ceiling system in the third floor of Air and Space to fail? What is the basis of the estimate of $650,000 to repair it?

Answer: When the National Air & Space Museum was designed in 1976 the concealed spline type of suspended acoustical ceiling was considered to be state-of-the-art. It is nearly seamless in appearance and offers the advantage of allowing removal of individual tile or tiles for access to equipment located in the ceiling spaces above. This system was installed in the entire third floor and part of the second floor. Unfortunately, the tiles have become worn and no longer stay in place in the grid after they have been removed a few times. Replacement of the tiles is necessary, but tiles of this type are no longer available.

Continual removal also weakens the clips that hold the ceiling's structural system together. With many tiles loose and clips weakened, any disturbance during routine maintenance can cause large areas to fall.

The Institution contracted with an architectural engineering firm to perform a detailed survey of the existing ceiling and determine corrective action. The contractor recommended total replacement of the ceiling system with a conventional "T" bar type system, at a estimated cost of $650,000. The requested funds will remove the support structure, ceiling tiles and air-handling light fixtures, and install a new lay-in system with appropriate light fixtures on the third floor central and west wing areas, and on the second floor. Adjustments will be made to the existing sprinkler heads and fire detectors to accommodate the new ceiling. The ceiling in the east wing of the third floor will be replaced as part of the renovation of the old public cafeteria space, a project funded from the Construction account.

Question 303: What is involved in the structural repairs to the Tivoli administration building at STRI?

Answer: During a July 1988 condition survey of STRI facilities, Smithsonian staff observed structural deficiencies in the Tivoli Administration Building. The support beams at the basement level are cracked, a condition which is indicative of a settling problem. In addition, staff found evidence of undue stress on the corridor wall. As a result of these preliminary findings, the Institution will perform a detailed structural evaluation of the entire building and make the necessary repairs.

Question 304: What is included in the $100,000 for general repairs at STRI, and $100,000 at Silver Hill?

Answer: At STRI, general repairs funds provide for the unanticipated repairs required at any of the STRI sites. Each year Smithsonian staff develops a list of the most urgent repairs to be funded from this account. In the past, general repairs funds have been used for replacing rusted pipes in a sewage plant and overhauling sewage plant pumps (Barro Colorado Island); replacing storm/sewage piping and wooden gates (Naos); and providing parking lot concrete bumpers and an automatic gate opener (Tivoli). Because of the remote location it is most cost effective to contract with local firms for these repairs, rather then using the staff of the Office of Plant Services, which is headquartered in Washington, D.C.

The Institution will use the $100,000 requested for general repairs at Silver Hill for the repairs to interior and exterior building components of the twenty eight buildings. The planned work includes repairing and replacing roofs, flashing, gutters, downspouts, windows, structural members, plumbing, heating and ventilation equipment, and patching small areas of the perimeter walls.

Question 305: What will the $325,000 requested for road repairs at SAO be used for? Will this, along with the $600,000 provided in the past two years, complete such repairs?

Answer: The $325,000 will be used to realign the ridge roads and grade the shoulders and adjoining slopes near the generator and ridge dormitory; pave the

existing dirt road from the generator to the 60-inch telescope; and pave a portion of the existing dirt road leading from the ridge down to the gate.

The funding requested will not complete the project. Additional work is required to complete the paving of the road from the ridge to the gate; modify the drainage and grade the area around the gate; widen, install drainage, improve guard rails and signage, and pave portions of the dirt road between the new base camp and the gate (approximately 13 kilometers). The Institution will request funding in future years for this work.

Question 306: What is included in the $500,000 requested for miscellaneous repairs for the Freer?

Answer: The $500,000 requested in FY 1991 will be used for removal of additional asbestos encountered during the course of the current renovation project, and to make repairs to the heating, ventilating and air conditioning system in the basement of the building.

Facade, Roof and Terrace Repairs

Question 307: There is a request of $3,790,000 for facade, roof and terrace repairs.

Explain what is involved in the $2 million requested for roof replacement at the Cooper-Hewitt?

Answer: The copper roof of the Carnegie Mansion is original to the 1902 building. It is highly ornamented, with standing seams and arched dormers. When the Smithsonian acquired the building in 1972 a liquid membrane covering was applied over the original copper roofing to correct building leaks. Since then, both the membrane covering (which carried a five year warranty) and the roof itself have continued to deteriorate. Extensive leaking is occurring, and galleries must occasionally be closed because of the leaks. In addition, persistent water intrusion has caused some structural damage around the skylights, and fireproofing beneath the roof surface has deteriorated. The roof can no longer be maintained and repaired effectively and must be entirely replaced.

Because the Mansion is a designated historic landmark, the replacement roof must match the original design in contour, material and color. The project will require precise demolition of the existing roof and specialized construction techniques to replicate the historic detailing. The design of the roof replacement project is complete, and the architectural and engineering contractor estimates the construction cost to be $2 million. The Smithsonian designed the project with $50,000 received in FY 1988. The amount of $275,000 provided in FY 1989 will serve as a project contingency.

Question 308. Why is it necessary to replace the waterproofing membrane beneath the terrace at the American History building for which $650,000 is requested?

Answer: The FY 1991 request will fund the final phase of this on-going multi-year project, which is necessary because the terrace surface and the waterproofing membrane beneath it have deteriorated over the years and lost their

integrity. This has resulted in leaks in the exhibit areas on the first floor of the museum. The only way to correct the problem is to remove the terrace paving, replace the waterproofing membrane, and reinstall the pavers.

Asbestos Abatement

Question 309: What is the status of the asbestos abatement program for which $1 million is requested, up from $500,000 in 1990. Why is this increase needed?

Answer: The Smithsonian has implemented an effective policy for the protection of staff, volunteers, collections and the visiting public from asbestos exposure. The policy is based on current Occupational Safety and Health Administration (OSHA) regulations and Environmental Protection Agency (EPA) guidelines governing asbestos. The policy has been supplemented by a rational and systematic plan for the management of asbestos-containing materials in all Smithsonian facilities. This plan includes provisions for the identification of damaged and friable asbestos-containing materials, worker training, medical surveillance, the use of personal protective equipment, and work practice controls.

Since FY 1981, the Congress has provided a total of $5.0 million for asbestos abatement at the Smithsonian. The Institution has conducted asbestos removal or encapsulation projects at a number of facilities, including the American History, Natural History, American Art and Portrait Gallery, Arts and Industries, Smithsonian Institution (Castle), Freer Gallery, and Renwick Gallery buildings and the Cooper-Hewitt Carnegie Mansion.

In FY 1989 the Smithsonian contracted for a complete SI-wide assessment of asbestos abatement needs. The contractor has already completed surveys in Natural History and American History buildings, and will complete surveys of five more facilities by the end of calendar year 1990. The survey of the entire Institution will be complete by the end of FY 1991. The contractor will identify asbestos locations, assess and prioritize needs for abatement activities, and develop a schedule for removal or containment and an estimate of the annual cost. This information will form the basis of future budget requests.

Current asbestos abatement efforts fall into two categories. The Priority Abatement category includes all those areas and locations where asbestos-containing materials are severely damaged and deteriorated, and which require expeditious abatement actions to protect staff and visitors from exposure. The Smithsonian expects that the asbestos survey will identify substantial remaining work in this asbestos abatement category beyond the work currently funded, and it is most likely that this work will take a number of years to complete.

The Opportunities for Abatement category includes those areas or locations where asbestos-containing materials are present in walls, etc., but are not in urgent need of abatement. The asbestos survey will identify those locations where other repair or renovation work is scheduled, and the Institution will plan to complete the removal or encapsulation of the asbestos in conjunction with the other work. The abatement of the asbestos in these areas is often necessary before the actual repair or renovation work can be accomplished. Abatement in this category will generally only be undertaken as part of other projects, unless it becomes deteriorated or damaged. Funding for this abatement work is generally budgeted for as part of the project cost.

For FY 1991, the Institution requested an increase in the amount of funding for asbestos abatement program in anticipation of the results of the asbestos survey. The $500,000 provided in FY 1990 has already been spent, but a number of additional critical projects in the Priority Abatement category are waiting for funding. It is clear that a higher annual level of funding will be needed over the next several years in order to eliminate dangerous asbestos conditions in the Smithsonian's buildings.

Exterior Lighting

Question 310: Will the $400,000 included for improving illumination on the Mall and at the Anacostia Museum complete this effort?

Answer: No, additional funding will be required to complete this project. The FY 1991 funds will be utilized for security lighting around the Air and Space Museum. Lighting for the remaining buildings on the Mall will be installed according to the following schedule:

Location	Fiscal Year	Estimate
Museum of American History	1992	$450,000
Smithsonian Institution (Castle)	1993	375,000
Arts and Industries	1994	450,000

The estimated funding levels are based on a study conducted by a lighting consultant and reflect escalation to the respective fiscal year.

Emergency Power Study

Question 311: What is included in the $100,000 requested for emergency power study implementation at various locations?

Answer: The $100,000 requested in FY 1991 will install a diesel emergency power generator at the Anacostia Museum to accommodate emergency loads in case of power failure. The new generator will be located outdoors in a weatherproof enclosure and will contain a 75 gallon fuel storage tank and a water jacket heater for winter operation.

The estimated construction cost is based on a study completed in September 1989. Future year requests will install emergency generators at several other locations.

Utility System Repairs

Question 312: There is a request of $2,051,000 for utility system repairs.

What is involved in the energy study implementation at the Cooper-Hewitt, for which $400,000 is requested?

Answer: The energy study implementation project includes the following elements:

1) Complete upgrade of the electrical incoming service and distribution system at the Cooper-Hewitt Museum (Carnegie Mansion);

2) Replacement of the existing chiller and air cooled condensing unit with a larger chiller and a new cooling tower;

3) Replacement of all air handling units and horizontal distribution ductwork;

The $400,000 requested will fund the design and construction of the electrical upgrade work, and design of the remaining elements. The total project will need funding of $1,850,000 over several years.

Advanced Planning and Inspection

Question 313: There is a request of $1,300,000 for advanced planning and inspection, compared to $733,000 in 1990.

Why is this increase necessary?

Answer: The increase to $1,300,000 in advanced planning and inspection funds is necessary to continue development of an integrated master plan for all facilities; update the master plan for the Smithsonian Environmental Research Center; initiate an accessibility master plan for the Cooper-Hewitt Museum; and continue design of smaller, single-year projects before receipt of appropriations as a basis for more accurate cost estimates. Because a greater number of these single year projects are anticipated for design and construction in FY 1992 and FY 1993, planning increases are required in FY 1991.

Question 314: What is involved in the integrated master plan for all facilities? When will this be completed, and how will it be used?

Answer: The overall objective of this project is to improve the Smithsonian facilities management by developing an ongoing system of space inventory and strategic facility planning. Phase I consists of (1) developing the space inventory system; (2) test of the system on a pilot facility; (3) compiling space needs from existing reports, interviews, plans, and other sources; and (4) general analysis of costs and other criteria for various facility options available to alleviate space shortages.

Future year funding will survey individual facilities thereby increasing the accuracy and usefulness of the master plan. At present, the Smithsonian staff envision one facility survey a year, extending the master plan work beyond FY 1997. By October 1990, a space inventory system will be established, and a better projection and ultimate cost will be available.

The master plan will be used to (1) assist individual bureaus and Smithsonian management in short and long range planning, space allocation, and space utilization activities, (2) improve control over expensive facility construction, leasing , and occupant relocations, and (3) provide bureaus, building managers, an other facilities-related staff with a practical means for assessing space availability, planning moves, and budgeting for facility additions and modifications.

Question 315: Why is an accessibility master plan being done?

Answer: The Smithsonian has deferred the accessibility master plan project as a recent internal audit identified a number of accessibility problems at the major museums. The audit recommended that the funds requested for FY 1991 be used to begin correcting the known accessibility deficiencies rather than to conduct further planning. The Institution plans to use the $300,000 requested to complete accessibility modifications at the Cooper-Hewitt Museum main entrance, and to make curb cuts around the Natural History and American History buildings.

Question 316: What are the restoration requirements at the Natural History building for which planning funds will be used?

Answer: Many finishes and surfaces in the public circulation spaces of the Natural History building have deteriorated, and some damage has occurred to marble columns, floors and stairs. The public areas have become dingy and present an appearance that is not up to the standard of a major national monument. The National Museum of Natural History is one of the most popular sites in Washington, with over 6 million annual visitors.

The problem is particularly acute in the Rotunda, where marble and granite surfaces are in need of cleaning to restore their original appearance. One of the marble columns is cracked, and the acoustical ceiling and painted walls require repair and repainting to prevent additional deterioration. The marble treads in the three public staircases have become uneven and must be repaired to prevent them becoming tripping hazards. The handrails at the staircases and around the Rotunda balconies are also in poor condition. The handrails should be stripped, restored and repainted, and some elements may need to be recast.

The planning funds requested will survey and estimate the costs of these restoration requirements and develop a schedule to complete the work during the course of the Major Capital Renewal project in the building. The restoration work will take place while each public space is closed to the public for the larger project.

Construction Planning

Question 317: Why is an increase in the amount provided for planning required?

Answer: An increase in the amount for construction planning is needed to continue development of a comprehensive long-range capital expansion program. A number of significant projects will require additional planning in FY 1991, including the General Post Office Building, the Air and Space Museum Extension, and the Collections Management Center at Suitland. The amount requested represents only a portion of the estimated annual need for planning of the Institution's long range facilities expansion program. The Smithsonian plans to seek $1.5 million annually for construction planning beginning in FY 1992. If the requested resources are not made available, SI management must make decisions regarding future projects without the benefit of detailed information about the scopes and costs of expansion proposals. The lack of adequate resources in the past has also resulted in requests to Congress for authorization or funding before this essential information was available.

Question 318: Why does the General Post Office building require additional planning? What are your current plans for proceeding with this project?

Answer: Planning to date on the General Post Office building includes a condition analysis completed in 1978 and outdated programming completed in the mid 1980s. In order to be prepared to start the design of the renovation, the Institution must do additional planning to verify the present condition of the building and systems, define specific space use, and incorporate new requirements imposed by the Pennsylvania Avenue Development Corporation. The Smithsonian will begin this planning with FY 1990 Construction Planning funds, but additional funds will be needed in FY 1991 to complete this work. Under the current schedule, the Institution will request design funds in FY 1992. The planning work will need to be complete by then.

The Smithsonian plans to restore and renovate this building for use by the National Museum of American Art, National Portrait Gallery, and Archives of American Art based in part on the findings of the proposed planning study. However, beyond the need to obtain space for these activities, the Institution is concerned about the long-term preservation of this historic landmark. In addition to old and deteriorated building systems and exterior components, a number of hazardous conditions argue for early restoration.

Question 319: What funds are being used in 1990, or do you plan to use in 1991, related to the proposed Air and Space extension at Dulles?

Answer: In 1990, $300,000 will be used to initiate the master plan and environmental analysis for the proposed Air and Space Museum extension. In 1991, $375,000 will be needed to complete the master plan and environmental analysis.

Alterations and Modifications at NASM

Question 320: How specifically will the remainder of the space vacated by the public cafeteria in the Air and Space building be altered?

Answer: The remainder of the third floor space will be renovated to create office space that will consolidate the public affairs, registrarial, and some curatorial functions now scattered throughout the building. The renovation will involve installation of walls, electrical and telephone service; modification of the heating, ventilating and air conditioning system and fire protection systems; and conduit for a computer network to serve the offices.

Question 321: Why have you changed your plans of a year ago to use 1990 funds for this purpose, and request 1991 funds to complete the employee cafeteria?

Answer: During design of the project, it became clear that the most appropriate space for the public affairs, registrarial and curatorial offices is the location of the employee cafeteria on the south side of the old public cafeteria space. This required the relocation of the staff cafeteria prior to renovation of the office area, and the sequence of work was adjusted accordingly.

Alterations and Modifications at NMAH

Question 322: Why are you requesting $300,000 to begin design and construction of the third floor photography and printing halls in American History, instead of the Music hall as indicated last year?

Answer: The mezzanines are planned and coordinated in conjunction with the Museum's exhibit reinstallation program. The Music Hall has been deferred to a future year and the Photography, News Reporting and Printing Halls will precede it to accommodate the exhibit schedule.

Question 323: What is the total cost of this project estimated to be?

Answer: The total estimated cost of constructing mezzanines in the Photography, News Reporting and Printing Halls is $1,020,000. The funding will be requested over several fiscal years.

Question 324: Is the $200,000 requested for completion of renovation of the American History conservation laboratory an increase, since it was not indicated in last year's request for $300,000 for this purpose that more funds would be needed?

Answer: Yes, the $200,000 increase covers asbestos abatement and additional built-in equipment needed based on the final design of the space. The space was originally envisioned as one large laboratory area, but will now be configured in three separate areas to accommodate different conservation specialties. More equipment is needed to make the space function efficiently.

Arts and Industries Building Space Modification

Question 325: For what purpose will an additional 5,000 sq. ft. of space in the Arts and Industries building be modified, with the $275,000 requested? Is this the total cost for this part of the project?

Answer: As noted in the FY 1991 justification for space rental (page 204), the Arts and Industries Building increasingly is being used for public education and interaction purposes and moving away from administrative uses. This trend is likely to continue with the development of one or more experimental galleries, under the direction of the Assistant Secretary for Museums. As the use of the building changes, it is of continuing importance to have funds to modify, improve and retrofit spaces. In each renovation, space is modified to accommodate the use of modular furniture thereby maximizing the productive assignment of available square footage. The amount sought for FY 1991 is part of a continuing program to make the building fully functional for program and staff purposes.

Conservation Analytical Laboratory

Question 326: Is the conversion of existing space into laboratory and office space at the Conservation Analytical Laboratory based on existing staff needs or future staff? How many staff positions will CAL accommodate after the renovation, and how does this compare to current staffing levels?

Answer: The conversion of the space is required to accommodate present staff activities. Existing programs are seriously hampered by the lack of laboratory space.

CAL currently has 41 on-board staff and 3 vacancies. The Institution's Five Year plan projects a further three positions to strengthen existing programs during the planning period. In addition to improving the efficiency of current staff activities, the expanded space will accommodate the projected new staff along with up to 20 interns, fellows and collaborating visiting scientists from other institutions who are a vital part of CAL's program.

Question 327: Will the areas to be used for this new space have to be replaced, i.e., the auditorium?

Answer: The auditorium itself will remain unaltered. Only the corridor leading into the auditorium from the existing CAL offices and the ramp to the projection booth will be converted. The project will change the entrance to the auditorium to allow direct access from the outside corridor and will modify access to the projection booth to keep the auditorium fully functional.

Question 328: Exactly how much office and laboratory space will be provided? How does this compare to the existing such space?

Answer: About 900 square feet of office and laboratory space will be provided. This will augment the 6,225 square feet of office and laboratory space presently available to CAL. Office space for the scientists is currently distributed through the laboratories. The modifications will free up urgently needed laboratory space and locate the desks in a safe environment.

McAlpin-Miller House

Question 329: What specific architectural changes to the McAlpin-Miller House will be accomplished with the $75,000 requested under Cooper-Hewitt? Will this amount complete the renovations planned?

Answer: The Cooper-Hewitt Museum plans to modify space in the McAlpin-Miller House to make the building more usable for program activities. The building, currently used for collection storage and curatorial offices, is inefficiently laid out and lacks adequate climate control. Access to several areas is poor and does not meet handicapped accessibility and fire protection codes. The proposed changes include (1) conversion of basement art storage to general storage and building support functions, (2) conversion of some of the first floor art storage to conference and office space, and (3) modification of storage space on the fourth and fifth floors.

At present, a planning study is further defining the proposed architectural modifications and coordinating them with building repairs (funded under R&R) and historic considerations. When this study is complete, later in 1990, more definitive information will available on the cost and schedule of each proposed component of the project. The Institution plans to request funding in future years to continue the renovations.

Telephone System at Freer Gallery

Question 330: Why is a new telephone system required at the Freer when it reopens? Why can't the previous system be reinstalled and/or upgraded? How old was the previous system?

Answer: The telephone equipment was completely removed from the Freer during the demolition phase of the current Freer Renovation project. Most of the existing equipment was 35 years old and didn't meet the needs of the Freer and Sackler staff. Early estimates indicated that it would cost more to salvage, upgrade and reinstall the old equipment than to provide new modern equipment. The requested funding will provide equipment similar to that used throughout the rest of the Smithsonian.

Question 331: What is the basis of the $100,000 cost estimate for this purpose?

Answer: The $100,000 funding request was derived in cooperation and consultation with the C&P Telephone Company and includes new conduit and wiring, and new up-to-date telephone devices for the entire building. Because the work and staff of Freer and Sackler are interrelated, the new system will also be designed to connect the two Galleries.

Museum Support Center

Question 332: Why has the cost estimate for the weather enclosure at the MSC increased by $70,000?

Answer: The original estimate was based upon very preliminary information about the requirements for the weather enclosure. In refining the cost estimate while developing a work statement, architect/engineer consultants determined that an additional $70,000 would be needed to meet the minimum requirements for the enclosure. The original estimate had not included paving of the area adjacent to the enclosure entrance to provide adequate turnaround space for large trucks to back into the entrance.

Question 333: What is the total estimated cost for the greenhouse at the MSC, for which $400,000 is requested?

Answer: The total estimated cost for the greenhouse at MSC is $955,000. This will provide approximately 12,000 square feet of growing space along with necessary storage and support space. The Institution plans to request an additional $555,000 in FY 1992.

Question 334: Where are the plant collections to be grown in the greenhouse currently grown? What impact will it have if a new greenhouse at MSC is not provided?

Answer: Currently, plants are grown in four other locations: (1) a few are grown in the 1,200 square foot Department of Botany greenhouse in the National Museum of Natural History's east court; (2) at the public conservatories of the U. S. Botanic Garden located on the Mall; (3) in the greenhouse range of the Botanic

Garden at Poplar Point, Maryland; and (4) in the Louisiana State University (LSU) greenhouse facilities where a scientist recently selected to fill a Natural History Museum's Laboratory of Molecular Systematics position currently works as an associate professor of biochemistry and botany.

The request for a greenhouse at Suitland, Maryland, was made to serve three major purposes. Additional greenhouse space is needed for the Department of Botany staff to conduct research studies, as the current greenhouse in the Museum's east court is far too small to meet present needs. Greenhouse space is also needed for a new curator in the Department of Botany who has the best live collection of the Banana plant and its relatives in the world. The plants are now stored at several of the locations mentioned above, but additional space at these locations is not available. This limits this curator's research studies to the plants he already has collected, and hampers major research projects using this collection. In addition, greenhouse space is required for a newly selected scientist to conduct studies on plant molecular systematics and evolution. The new employee begins work in June 1990, but lack of greenhouse facilities will prevent her from conducting a significant portion of the ongoing studies she is bringing with her from Louisiana State University. These projects are basic to the establishment of the molecular systematics program at the Smithsonian. The proposed greenhouse will also house a germ plasm bank of endangered and threatened species, including some from the tropics, used in the Museum's Biodiversity Program. The collections housed in the greenhouse will be an important resource for scientific investigation and biological conservation. If the greenhouse is not provided, these important biodiversity research studies cannot be conducted and will result in a lack of knowledge necessary to protect certain endangered organisms from extinction.

National Museum of Natural History Space

Question 335: How specifically will the $100,000 requested for reconfiguring space freed by the move of collections to the MSC be used? How much space will be involved in 1991?

Answer: The National Museum of Natural History will use the requested funds to begin reconfiguration of approximately 20,000 square feet of space in various areas of the Museum to provide suitable working conditions for several research programs and administrative functions currently housed in inadequate space. A preliminary cost estimate of the necessary renovations is approximately $1.1 million, of which $330,000 was provided previously.

The Museum will use the $100,000 requested in FY 1991 to begin work on the two most urgent projects, estimated to cost a total of $175,000. One of these projects involves construction of a special secure room (of approximately 1,000 square feet) in the East Wing to consolidate the valuable "type" Paleobotany specimens near the rest of the Paleobotany collections. The other critical project includes reconfiguring approximately 1,500 square feet of space on the third floor of the West Wing to accommodate the recently funded biological diversity research program and to provide quality space for other existing Museum research programs. The Museum will supplement the $100,000 requested with in-house staff of the Office of Plant Services to complete these two projects in FY 1991. Future year budget requests will fund additional work required to make more effective use of space in the Natural History Building.

Photographic Storage

Question 336: Why is $50,000 needed to complete the photographic services project? Is this an increase over the estimated cost of a year ago, when $200,000 was provided?

Answer: Yes, the $50,000 increase will cover built-in equipment to make the space fully functional as a storage area.

Whipple Observatory

Question 337: Is $100,000 the total cost of completing the basement at the Whipple Observatory?

Answer: Yes, the amount of funding requested will complete the enclosure of the basement level of the Commons Building. It will provide for excavation, floor, exterior walls, doors and windows, suspended ceilings, insulation, plumbing and electrical connections, and finishes.

Mathias Laboratory

Question 338: What is the basis of the $350,000 cost estimate to add modules to the Mathias Laboratory at SERC? What size of modules will this provide, and what will be included?

Answer: The cost estimate is based on design and construction costs for similar laboratory units in the Mathias Building laboratory.

The funds requested will construct of modules totalling about 2,700 square feet. These modules will include laboratory benches, fume hoods, and standard and special utilities services including natural gas. An instrument room, a walk-in cold room, restrooms for the entire wing, and janitorial storage with a slop sink will also be provided.

Question 339: When do you expect the current leased space in Silver Spring to become unavailable? What is the cost of the lease?

Answer: The leased space in Silver Spring became unavailable in March 1990. The cost of the lease was about $15,000 per year.

Question 340: Why can't the solar radiation work be accommodated in existing buildings at SERC?

Answer: There is no available space in any of the SERC buildings to accommodate Solar Radiation work.

Question 341: Is $350,000 the total cost of this additional space?

Answer: Yes, $350,000 is the total cost of the additional laboratory space. However, this estimate does not include much needed common space, including an instrument room, a walk-in cold room, restrooms for the entire wing, and

janitorial storage with a slop sink. The original estimate for the laboratory modules and the common space was $425,000, but the Institution reduced the scope of the project in order to stay within the funds allowed by the Office of Management and Budget for the FY 1991 Construction request. Funds to construct the common areas, as well as for additional laboratory modules, will be requested in future years.

Space Modifications in the Smithsonian Institution Building

Question 342: What specifically is involved in providing support facilities for staff activities in the SI Building, for which $100,000 is requested?

Answer: The SI Building houses the Office of the Secretary, his principal management assistants, the Visitor Information Center and office and other space for guards and custodial workers. With very limited space available for these functions there is constant attention to using every square foot constructively including the use of modular furniture. This funding will be used for modification to the offices in the building to provide more functional work areas for staff and to accommodated changes in the use of the building. Specific plans for these modifications are currently under way.

Barro Colorado Island Staff Housing

Question 343: What is the staffing level on Barro Colorado Island?

Answer: The current level of staffing on Barro Colorado Island is as follows:

Permanent Scientific Staff	6
Visiting Scientific Staff	35
Game Wardens	13
Administrative Staff	20
Contract Employees	23
Total	97

Question 344: What exactly will be included in the staff housing on BCI, for which $400,000 is requested?

Answer: The BCI staff housing includes a 2-unit single level staff residence and an 8-unit two level staff residence as well as associated utility systems. Each unit within the 2-unit residence is approximately 380 square feet, including space for a private bathroom, study area, and sleeping area. In addition, a private 80 square foot balcony is provided. Each unit within the 8-unit residence is approximately 315 square feet, including space for a sleeping area for two people and a bathroom shared with one other unit. A 290 square foot balcony on each of the two floors is shared by four units. Residents on BCI share dining, lounge, laundry and storage facilities in other buildings.

Question 345: Is this the total cost of these residences?

Answer: The $400,000 requested for BCI staff housing is sufficient to cover the total cost of the 8-unit support staff dormitory and possibly the 2-unit residence for staff scientists. The 2-unit residence for staff scientists will be included as an alternate in the bid package. If funding is not sufficient to cover the 2-unit residence, it will be included in a request for additional staff housing in a future fiscal year. The original estimate for both buildings was $500,000, but the Institution reduced the request to fit within the amount allowed by the Office of Management and Budget for the Construction request.

Planning for Alterations and Modifications

Question 346: Why are you proposing to increase planning to $104,000, from $75,000 in 1990?

Answer: Planning funds for Alterations and Modifications have increased because of the greater number of projects anticipated for design and construction in FY 1992 and FY 1993 that will require planning and cost estimates in FY 1991.

QUESTIONS SUBMITTED BY REPRESENTATIVE RALPH REGULA

Preservation of Historical Materials on Jazz

Question 347: Jazz is just about the only original musical art form that America has. It is truly a pleasure to listen to the old time jazz musicians in the New Orleans French Quarter. These truly great artists and their classical jazz colleagues are aging fast, many have already passed on.

What is being done to preserve this living art form? Are historical materials dealing with this music being lost?

Answer: The Smithsonian Institution is endeavoring to lead the national fight to preserve jazz as an American national treasure, and as an historical and living art form. There is indeed real urgency to this mission. The stellar musicians are dying--this month alone, Dexter Gordon and Sarah Vaughan. And much priceless historical material of jazz has already been lost. In another 10 years, all the giants of the music will probably be gone. The time to preserve their art and legacies is now.

We have identified three top priorities: preserving the material record of jazz; publishing its great music so it can be studied, taught, and performed; and presenting free concerts, at the Smithsonian and on radio, for the American people of the great masterworks of this music.

Question 348: Why should the Smithsonian, rather than some other institution such as the Library of Congress, build a national History of Jazz Collection?

Answer: There are six specific reasons why the Smithsonian, rather than another institution such as the Library of Congress, should build a History of Jazz Collection and Program.

(1) The Smithsonian recognizes jazz as one of the most important cultural expressions to develop in the United States.

(2) Almost unique among institutions that preserve culture, the Smithsonian collects both "three-dimensional" artifacts such as musical instruments as well as paper documents and recordings.

(3) The Smithsonian can do more for the collection than any other institution. Let's compare the Smithsonian with the Library of Congress. Both institutions would preserve the materials and make them available for visiting researchers. There the similarity ends.

The Smithsonian employs a number of jazz experts, while the Library doesn't. The Smithsonian has a huge exhibition program at the museum and travelling the country, offers a fellowship program, is working to publish jazz music, issues a long-standing series of distinguished jazz recordings, and produces jazz concerts. These programs don't really exist at the Library of Congress. Thus, because of the diversity of its offerings, the Smithsonian is better suited than any other institution to make the collection a "living" collection, to get its riches off the shelf and into the ears and minds of the American people. Therefore, an investment in jazz collections at the Smithsonian can be leveraged into a

multiplicity of programs that will have a "multiplier" effect in increasing and disseminating knowledge about this highlight of American culture.

(4) The Smithsonian carries unmatched recognition and cachet, and thus having the jazz collection there can do more to make the country value this great American music. We recognize jazz as a national treasure coming out of the African-American experience, and feel it should be a visible part of the national treasure-house.

(5) This is the kind of thing the public has grown to expect from the Smithsonian.

(6) Finally, the Smithsonian receives more visitors than any other museum in the world, and 12 times the visitors of the Library of Congress.

Question 349: What is the Duke Ellington Program? How does it act as the first part of the History of Jazz Program?

Answer: The National Museum of American History has acquired and is working to preserve, catalogue, and disseminate to the public the musical archives of Duke Ellington. The Museum currently receives about $250,000 a year in Congressional monies to take care of the enormous Duke Ellington Collection, which had been purchased largely with Federal funds earmarked for that purpose. Most of the $250,000 supports the personnel costs of five positions to catalogue, conserve, manage, and make accessible this collection. We are spending part of this sum on recopying old recordings and microfilming old documents for preservation purposes, and for much-needed conservation measures. We have also opened an exhibition on Ellington, held a month-long Duke Ellington Festival, and are undertaking various other kinds of educational outreach and public programming.

Cataloguing the Duke Ellington Collection will take another three years or so. Once the collection is catalogued, the staff will turn its energies to cataloging other jazz collections we are working to acquire. There are two remaining parts of the Duke Ellington archives--one owned by his sister Ruth and another by a recording engineer that we hope to secure funds to purchase. The musical archives of Count Basie, Dizzy Gillespie, and other figures are also potentially available to the Museum.

We see a continuing need for these cataloguing positions to work on materials that the Museum hopes to acquire in the coming years.

This is part one of the History of Jazz Program.

Question 350: How do you envision other parts of the program?

Answer: Part two of the History of Jazz Program entails publishing the great works of Duke Ellington, Count Basie, Benny Goodman, and other composers and orchestrators. Right now you cannot buy the music of these musicians. We are working to rectify that through a project that the Wall Street Journal called "a monumental publishing project"--Jazz Masterworks Editions. This series of printed editions will make the music available for the first time, for study by our educators and musicians, and for performance by high school, college, and professional jazz groups. The Museum has raised $100,000 to date from private sources, and would like to get $100,000 in the next year to support the

transcription (done painstakingly from original recordings), editing, and engraving (musical typesetting) of this music.

Part three involves presenting concerts of this music on the national mall. The Smithsonian Jazz Masterworks Orchestra would give free concerts in a distinguished and authoritative way. It would draw on the unpublished musical scores in the Ellington and History of Jazz Collection, and the editions being prepared for Jazz Masterworks Editions, in a way that no other institution could do. A sum of $500,000 would enable a weekend of free concerts every month throughout the year, including preparation and copying of music, rehearsal, performance costs, concert programs, and taping for later radio broadcast. The Museum has raised $250,000 in private monies, and would require a federal match of $250,000 to fully cover these costs in FY 1991.

The Museum would make every effort to raise larger matching sums in future years, and would hope to secure $500,000 in Federal funds beginning in FY 1992 to support these concerts.

It is worth noting that the French government supports a French National Jazz Orchestra (Orchestre National de Jazz) to the tune of the equivalent of about $1,000,000 per year. We would hope that jazz, as one of the greatest art forms to emerge from America, would receive good support from the American Congress.

Question 351: Are you doing anything to bring jazz music into the American classroom?

Answer: There are three parts to the answer. Given current funding, we are working to disseminate more widely to schools ten of the Smithsonian's series of historical jazz recordings. And we are going to "adopt" Washington's Duke Ellington High School for the Arts to increase the knowledge of its students with the Ellington legacy.

Here is what we can do if Federal funding is given to Jazz Masterworks Editions and the Smithsonian Jazz Masterworks Orchestra: If funding is earmarked for the series Jazz Masterworks Editions, this classic music will be made available to high school, college, and university classrooms. There are 20,000 high school and collegiate jazz bands, comprising an estimated 360,000 student musicians; they, their fellow students, and audiences will be prime beneficiaries of this music's being made available. If we had a resident jazz program (Smithsonian Jazz Masterworks Orchestra), we could arrange for outreach performances, as well as make arrangements to bring in students for colloquia, seminars, and other educational programs.

Here is what we could do, given funding beyond any mentioned earlier: We could involve veteran musicians as advisors, performers, speakers, and master teachers. We could step up the oral history program to thoroughly but expeditiously document the remaining important older jazzmen before it's too late. We could expand the oral history to comprise video histories of these musicians--which would greatly enhance the historical record and the educational value now and in the future. And we would like to prepare recordings specifically aimed at classrooms. Absolutely no one has done that yet, and there is a need for it among educators at all levels.

Admission Fees

Question 352: I recently read in the Washington Post that the Smithsonian will be charging for admission at some of the Smithsonian museum exhibits.

Is this true? If so when did it start and how is the program being implemented?

Answer: The Smithsonian has instituted an admission fee for only one exhibition, the special temporary showing of mechanized dinosaurs at the Museum of Natural History which opened on April 12 and is expected to run until September 3. The admission fee is intended to produce revenues calculated to cover the expenses to the Museum of bringing this exhibition to the public.

Question 353: Which museums are involved? What are the preliminary results?

Answer: The Museum of Natural History was following the model set by the National Air and Space Museum, which has long charged for its IMAX movie presentations and its planetarium shows. Similar to these productions, the Dinamation exhibition at the Museum of Natural History does not include the display of objects from the National Collections, which are maintained for the public on exhibition free of charge. The results of these fees, to date, indicate that for certain kinds of popular presentations, an admission fee can be a successful means for generating reimbursement financing to cover production expenses -- although there is always risk inherent in proceeding in this fashion, should the public prove uninterested in the final product.

Question 354: Do you have plans to start implementing this practice through out the Institution?

Answer: We have no plans to begin introducing a fee in support of the public exhibition of material maintained by the Smithsonian as part of the National Collections. The only exception which tests this rule is that of the Cooper-Hewitt Museum in New York City, which, in line with prevailing practices in New York, charges a modest admission fee at the door six days a week. Indeed, far from widening this practice at the Smithsonian, federal statutes, Wills and bequests prohibit the imposition of admission fees at the Freer Gallery of Art, the Hirshhorn Museum and Sculpture Garden, and the National Portrait Gallery.

Object Conservation

Questions 355 & 356: Please provide a detailed description of the type of work you do in the area of object conservation and training for object conservators.

Do you provide this training to different government agencies? If so, how is this training structured?

Answer: CAL conservators are specialized in five different fields: furniture, objects, paintings, paper, and textiles. Objects conservation covers all three dimensional objects other than furniture, i.e., archaeological and ethnographic materials as well as sculpture.

As all CAL conservators, the object conservators engage in esearch on conservation treatment development for materials within their s cialty; provide treatment advice and actual assistance to Smithsonian museums, pecially those without in-house conservation capability; and provide training their specialization through internships and courses. Ideally, these arious functions can be combined. Thus, students serving an internship in the o ects laboratory will perform actual treatments, under the supervision of the CA conservator acting as their mentor, on objects from Smithsonian collections Similarly, to sharpen their research skills, they will participate and assist n the studies undertaken by their supervisors. Indeed, several interns have en able to publish papers in the professional literature based on their wo at CAL.

CAL's object conservators serve also as a source of expert e outside the Smithsonian, and several Federal agencies have called upon them or advice and evaluation of specific problems, such as the State Department, S. Treasury, the Department of Education and the Office of the Architect of the pitol.

Training through courses, generally aimed at practicing co ervators or related museum professionals, is offered on an open admission b is; most courses are filled in a first-come-first-served basis, but for some oth s, participants are selected on the basis of experience and training. Conserva rs from other Federal agencies are equally welcome to apply and in fact, on s eral occasions, professionals from the National Park Service and from the Natio l Gallery of Art have participated in courses within the objects conservation sp ialty. In courses in other specialties, conservators from the Library of ngress and the National Archives also have attended.

QUESTIONS SUBMITTED BY REPRESENTATIVE LINDY BOGGS

Long-term Monitoring of Coastal Wetlands and Marine Biological Diversity

Question 357: I understand the Smithsonian is considering a new initiative involving collaboration with state and Federal agencies and private institutions in an effort to address an urgent need for long-term monitoring of coastal wetland and marine biological diversity. Please describe this proposal.

Answer: This initiative proposes to mount a program in coastal marine biodiversity monitoring and research using the expertise in biodiversity of the National Museum of Natural History, and to establish new regional biodiversity laboratories along the Atlantic coast and Gulf of Mexico of the United States where some of the most urgent coastal issues are being faced. As such, these laboratories would focus their initial and primary research and monitoring efforts on habitats and species assemblages that are in particular jeopardy from the effects of urbanization, pollution, and other forms of destruction in the coastal wetland and shallow marine areas of the Atlantic Seaboard, Caribbean, and Gulf of Mexico. The geographic locations of these coastal laboratories would facilitate partitioning of responsibilities into geographic regions. The local settings of each would be appropriate for support of land-based and vessel-based field operations, as well as laboratory studies.

Together with the Smithsonian's existing coastal stations in Maryland, Belize, and Panama, the Link Port and Lafayette facilities would constitute valuable new centers in a network of marine biodiversity centers stretching from the mid-Atlantic coast to the Western Gulf. These would enable the Smithsonian to develop a stronger biodiversity program in coastal wetlands and the marine environment to complement the enormous efforts in North America on the terrestrial environment. The Louisiana Center would be a completely new field station for the Natural History Museum and would represent a key outpost in the Western Gulf.

Establishing a laboratory network, planning for its administration, and developing a program of work elements, would permit the Smithsonian to initiate a nationally coordinated effort to: (1) collect, synthesize and disseminate adequate data and information on present levels of diversity in coastal wetland and marine biotic assemblages, as well as information on rate and scale of depletion in diversity of these assemblages; (2) identify specific elements of coastal and marine biological diversity that are in decline or otherwise warrant special attention; (3) support basic and applied research necessary for conservation of coastal and marine biological diversity; and (4) educate the citizens of the United States regarding the importance of biological impoverishment and the preservation of biological diversity as a natural resource.

Question 358: Does this initiative define activities and programs that are accorded a high priority by the admi..istration of the Smithsonian Institution?

Answer: This initiative would address the need for long-term monitoring of coastal wetlands and marine biological diversity, which is one of the priorities of the Smithsonian under the larger rubric of biological diversity that the National Museum of Natural History is well positioned to undertake. However, these activities and programs are not included in the Institution's FY 1991 budget request and funding should not compete with other items of increase in the budget as submitted.

Question 359: Are the proposed activities of this initiative within the traditional expertise and purview of the Smithsonian research scientific staff?

Answer: The activities proposed are within the traditional expertise and purview of the Smithsonian research staff.

Question 360: What is the relationship of these additional budget items to the Smithsonian's FY 1991 budget request? Is some component of the overall budget for this project to be added to the FY 1991 budget for the National Museum of Natural History/Museum of Man (page 98), Smithsonian Institution Budget Justifications for Fiscal Year 1991, submitted to the Committees on Appropriations, Congress of the United States? Estimate how funding is to be phased, for construction and operations, from FY 1991 and for the following five years.

Answer: The Smithsonian's FY 1991 budget request does not include any funding for these additional budget items. These budget items would be an addition to the budget request but should not compete with other items of increase in the budget as submitted.

There are three components to the budget breakdown for this program: (1) the University of Southwestern Louisiana (USL) component in Louisiana, consisting of building design, construction, and fixed equipment costs ($9,000,000); relocation expenses ($50,000); annual operating costs ($3,325,000); (2) the Smithsonian Marine Station at Link Port (SMSLP) component in Florida, consisting of building design and construction and fixed equipment costs ($9,400,000); relocation expenses ($50,000); annual operating costs ($2,000,000); and (3) the administrative component in Washington, D. C., consisting of one-time set-up costs of supplies and equipment for data management ($630,000) and annual operating costs ($575,000).

Funding is needed as follows:

$18,400,000 in FY 1991 for construction
$730,000 in FY 1992 for one-time set-up costs
$5,900,000 in FY 1992 and continuing for annual operating costs.

Question 361: Do the locations proposed in Florida and Louisiana provide optimal sites for the mission proposed?

Answer: The locations proposed in Florida and Louisiana are optimal for the mission proposed. The Smithsonian is already well-established at the Florida site using rented space and a floating barge. It is seeking to construct a permanent facility at this site to provide better and more stable working conditions for the scientists already there to continue their studies and to provide space for new scientists to start new and different projects. Smithsonian scientists have accumulated more than fifteen years of research data at this Florida location, a unique transition area between the subtropical and tropical coastal regions. Land margin and shallow water habitats of South Florida and the Keys harbor the most diverse and poorly known coastal biotic assemblages in North America; yet, there is no area in the continental U. S. that is so intensely subjected to the pressures of urbanization and attendant habitat alteration. Just offshore, the warm waters of the Florida current appear to play a major role in reproduction and dispersal of myriads of organisms populating Southeastern U. S. coastal habitats.

though the larval histories, population dynamics, and genetics of these species remain poorly understood.

Smithsonian scientists working at the Florida site are presently collaborating with scientists working in Louisiana. The Louisiana site allows quick access by research teams to the rich wetland habitats of the Louisiana coast. These wetlands serve as the breeding grounds for many of the ocean's fauna, many of which are an important food source for man. Destruction of the single largest wetlands area still remaining in North America has occurred at an alarming rate in recent years, the greatest rate of coastal habitat loss in the nation. Studies of the biodiversity of the fauna and flora of the area and how they are being impacted by man's activities are needed as soon as possible.

It will be possible to conduct comparative studies at both sites. It is rare for scientists to have easy access to two facilities in different geographical locations where they can conduct such studies.

Question 362: Is the Smithsonian Institution strongly supportive of the potential collaborative relationships offered in this proposal, particularly those which might involve the Harbor Branch Oceanographic Institution, the University of Southwestern Louisiana, Louisiana Universities Marine Consortium (LUMCON), and the U.S. Fish and Wildlife Service's National Wetlands Research Center?

Answer: The Smithsonian Institution supports the potential collaborative relationships offered in this proposal, particularly those which might involve the Harbor Branch Oceanographic Institution (HBOI), the University of Southwestern Louisiana (USL), Louisiana Universities Marine Consortium (LUMCON), and the U. S. Fish and Wildlife Service's National Wetlands Research Center. The Smithsonian already collaborates with scientists from HBOI and USL. The type of research proposed in Louisiana will require close working relationships with LUMCON and the National Wetlands Research Center as well.

Question 363: Have administration and staff of the Smithsonian Institution's National Museum of Natural History been consulted in preparing this proposal?

Answer: The administration and staff of the Smithsonian's National Museum of Natural History have been consulted in preparing this proposal.

MONDAY, APRIL 23, 1990.

NAVAJO-HOPI RELOCATION COMMISSION

WITNESSES

HAWLEY ATKINSON, CHAIRMAN, NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

RALPH A. WATKINS, JR., VICE CHAIRMAN, NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

SANDRA MASSETTO, COMMISSIONER, NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

CHRISTOPHER J. BAVASI, EXECUTIVE DIRECTOR, NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

MICHAEL J. McALISTER, DIRECTOR FOR MANAGEMENT, NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

PAUL TESSLER, ATTORNEY, NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

VERNON MASAYESVA, CHAIRMAN, HOPI TRIBE

LEONARD HASKIE, INTERIM PRESIDENT, NAVAJO NATION

PERCY DEAL, NAVAJO TRIBAL COUNCIL MEMBER

ROMAN BITSUIE, NAVAJO NATION, EXECUTIVE DIRECTOR, NAVAJO-HOPI DEVELOPMENT OFFICE

CECIL NEZ, NAVAJO NATION NEW LANDS COMMITTEE

PATTERSON JOE, ATTORNEY, NAVAJO NATION DEPARTMENT OF JUSTICE

Mr. YATES. Madam Reporter, show the hearing coming to order.

This is a hearing on the budget for fiscal year 1991 for the Navajo-Hopi Indian Relocation Commission.

Appearing in support of the budget is Mr. Hawley Atkinson, Mr. Watkins, and Ms. Massetto, Commissioners; and Mr. Bavasi, Mr. McAlister, and Mr. Tessler.

We have Leonard Haskie, the Interim President of the Navajo Nation, and Mr. Masayesva, Chairman of the Hopi Tribe.

Maybe we ought to hear from the Navajo and Hopi first.

NAVAJO STATEMENT

Mr. Haskie, would you come up here? We will be glad to hear your statement. Your statement may be made a part of the record.

Mr. HASKIE. Thank you, Mr. Chairman.

Mr. YATES. How are things in Navajo country?

Mr. HASKIE. Pretty good.

Mr. YATES. Is your election today?

Mr. HASKIE. No. In August we have a primary, August 6 or thereabouts. The general election comes on November 6.

Mr. YATES. So you have a lot of time to campaign then.

Mr. HASKIE. Yes, starting today.

Mr. YATES. Go ahead.

Mr. HASKIE. Chairman Yates, Committee staff, I am Leonard Haskie, Interim President of the Navajo Nation.

I want to thank you for giving me the opportunity to appear before the Committee today and discuss certain issues in connection with the implementation of the Federal relocation law.

In my written testimony, I touch on several issues which I would like to summarize now.

Afterwards, I would welcome the opportunity to answer any questions you might have.

With me today are Percy Deal, a Tribal Council Member from Hardrock and Chairman of the Navajo-Hopi Land Commission Office; Roman Bitsuie, Executive Director of the Navajo-Hopi Development Office; Cecil Nez, Head of the New Lands Committee, which is called Nahata Dzill; and Patterson Joe, an Attorney with the Navajo Nation Department of Justice.

Each of these men has much knowledge regarding the Navajo relocation. They are also here to answer your questions.

The Navajo Nation has lived with the Federal relocation law for a long time now, and we have seen many changes in the implementation of that law.

Through the sustained efforts of Navajo tribal agencies responsible for assisting Navajo relocatees and relocation-impacted communities, the administration of the Federal relocation law has improved greatly over the years.

The relationship between Navajo tribal representatives and the Relocation Commission has also improved.

I believe that as a result of increased consultation with the Tribe and experience, the Relocation Commission has developed a more rational approach to determining the types of relocations that can be made by different Navajo relocatees.

For some time now, the Commission has followed the concept of promoting group moves—relocating extended family members and others together in a way that parallels traditional Navajo living patterns.

Under this program, the elderly are often relocated with younger family members. When the elders need physical help, the young people can help. When the young people need support or advice, their grandparents are there to help them.

Recently, the Department of Interior has proposed that the group move program be abandoned and that a moratorium be imposed on the relocation of the more than 700 Navajo families who voluntarily complied with the law, but who have not yet received a replacement home. Many of these Navajo refugees have been waiting years for their relocation homes. Under such a policy, many would remain as refugees for years to come.

In addition, the new Interior policy threatens that humanitarian programs, such as emergency move programs, and a statutorily mandated program which provides priority to District 6 evictees, also be abandoned. Surely, such changes cannot be what Congress intends.

The Navajo Nation supports the move processing priorities and the group move programs implemented by the Relocation Commission, at least until this past February.

We respectfully request that this Committee include in this year's appropriation measure language which conditions the ex-

penditure of housing construction moneys upon adherence to those policies.

While the Secretary has said that he opposes forced relocation, the Navajo Nation does not understand how the Secretary is going to fulfill his promise to move Hopi-partitioned land residents, including resisters, voluntarily to housing which they have not selected. The relocation law cannot be implemented humanely or successfully in this fashion. The Relocation Commission should not be willy-nilly building houses that people don't want.

Mr. YATES. Are they doing that?

Mr. HASKIE. Sure. The changes which the Interior Department has proposed will disrupt and slow the relocation, increase the cost to the Federal Government, and threaten the maintenance of law and order.

We also understand from Relocation Commission staff that there has been a dramatic decrease in the number of housing acquisition contracts signed since release of the Secretary's February policy statement.

In fact, we understand that few, if any, such contracts have been signed.

We believe it would also help stabilize things on the Hopi-Partitioned Lands if the subcommittee's recommended bill language only provided money to build houses that were voluntarily chosen by relocatees.

There has been a great deal of talk this year about forced relocation and the people living on the land are scared.

Finally, the record of the Relocation Commission over the last several years bears out that improvements in the administration of the relocation law, not the threat of forced relocation, have encouraged more Hopi-Partitioned Land residents to move.

A better way to help encourage certain Hopi-Partitioned Land residents to move would be to ensure that the relocation law's promise that there would be "community facilities and services, such as water, sewers, roads, schools, and health facilities" available at relocation sites is fulfilled.

People say that the Navajo Nation has not complied with the relocation law, but more than 2,000 Navajo families have left their traditional homes. They are evidence that the Navajo have been complying with the law.

It is the Federal Government that now has to comply with the law.

People have moved to the New Lands, but they don't have jobs or enough grazing to sustain them. They don't have public safety services, adequate schools or health care.

This is a place your Committee can help. It would be tremendously valuable if this year's appropriation bill also included a direction to develop a report which projects needs for community facilities and services on Navajo lands impacted by the relocation law. Such a report would provide a yardstick to measure progress in this area and would also help the responsible agencies to budget for relocatee needs.

We have worked hard for more than a decade to assist Navajos choosing to comply with that law and to see that the law is administered as humanely as possible.

At no point, however, has the Navajo Nation abandoned the hope that one day, together with the Hopi Tribe, we will be able to find a mutually acceptable solution which will allow those Navajo families unable to abandon their sacred lands to stay on those lands.

The Navajo Nation is aware of the time that you and your staff have devoted to understanding these situations and the needs of Navajo relocatees. We are grateful for your concern.

This concludes my prepared statement. The Navajo representatives and I would be happy to answer any questions.

Thank you, Mr. Chairman.

Mr. YATES. Thank you for your statement.

[The prepared statements of Mr. Haskie and Mr. Nez follow:]

THE NAVAJO NATION

STATEMENT OF LEONARD HASKIE, INTERIM PRESIDENT, NAVAJO NATION

Before the
Subcommittee on Interior and Related Agencies,
Committee on Appropriations,
House of Representatives

April 23, 1990

Thank you for giving me the opportunity to appear before the Committee and discuss certain issues in connection with the implementation of the federal relocation law. I know that you are aware of various situations that have arisen over the course of the last year. The Navajo Nation appreciates the time devoted by you and your staff to understanding these situations and the needs of Navajo relocatees. We are grateful for your concern.

* * *

When the relocation law was first passed it was nearly impossible for the Navajo Nation's leaders and members to believe that the law would be implemented. The Navajo people who have lived and worshipped on the land for generations could not imagine that they would be forced to move from those lands.

The early years of the relocation program were tragic. Anybody who had thought that it might be alright to relocate could not help but have his or her mind changed. The early relocations were disastrous. Older traditional Navajos speaking little or no English -- people who had no experience with a cash economy, were moved into border towns. These people were warehoused in substandard housing. They received little or no counseling to help them make the radical changes that federal law required. They were cut off from family and friends -- and they were cut off from the land that gave birth to them and sustained them throughout their lives. Not

surprisingly, the people and the leaders of the Navajo Nation came to associate relocation with sickness and death. Tribal leaders sought to have the law repealed or to find some way to compensate the Hopi Tribe for at least those areas of the land on which Navajos were residing.

At the same time that the Navajo Nation was trying to find another solution to the Navajo-Hopi land dispute, representatives of the Tribe were also working to have the federal relocation law administered in a more humane way. Through the Navajo-Hopi Land Commission Office, the Navajo-Hopi Development Office and the Navajo-Hopi Legal Services Program, the Tribe sought to assure that repairs were made to substandard housing, that Navajos deserving relocation benefits were certified as eligible by the Relocation Commission, that relocatees received adequate counselling, that relocatees received decent, safe and sanitary housing, that necessary facilities and services were provided to Navajo relocatees, that proper planning for future needs and land use took place, that housing repairs were made when necessary to protect the health and safety of Navajos awaiting relocation, that Navajo refugees in dire need received timely assistance from the Relocation Commission, and most importantly that some sensible criteria were developed to ensure the types of moves which people made as a result of the federal relocation law were rational and did not end in more tragedy.

These efforts are ongoing and there is still much room for improvement in the administration of the federal relocation law. However, the relationship between Navajo tribal representatives and the Relocation Commission has improved over the years. More than ever before, representatives of the Relocation Commission are consulting with the Navajo Nation about new programs and changes in old ones. The improvement has been slow and incremental. More improvement is needed -- but the Tribe is grateful for any improvement in its ability to advocate and protect the rights and safety of tribal members.

Positive results have followed from these many years of sustained effort. One such result has been a radical change in the pattern of relocation. In the early years most relocatees moved off-reservation. While we do not know where all of the people have gone, we do know that well over fifty percent no longer own their homes. In sharp contrast the vast majority of Navajo relocatees now relocate within the Navajo reservation. These relocatees continue to participate in tribal life and have tribal support services available to them.

Probably the most significant result of tribal efforts to make the relocation program as rational as possible has been the development by the Relocation Commission of a process for

looking at the types of factors that need to be considered in order to make the moves sensible and successful to the maximum extent possible. Among these factors are: (1) the effect of the move on the extended family unit -- the traditional way of living for Navajo people; (2) whether relocatees will be able to keep livestock at their new homesites and (3) whether the relocatees need to stay on Navajo tribal lands in order to survive. The development of such criteria have contributed to the relative success of recent relocations. An outcome of that relative success has been a greater willingness on the part of some traditional Navajo families to consider relocating.

This is not to say that all Navajo families are now willing to relocate. As the Navajo Nation has consistently indicated, there are a great number of traditional Navajo families living on the Hopi-partitioned land who refuse to move from their sacred lands. We call these families the resisters and at some point Congress will need to address the needs of these families.

For other Navajos, however, improvements in the relocation program offer inducements to relocate. Further improvements, especially in the provision of community facilities and services such as health clinics, public safety services, schools, chapter houses, et cetera, will address existing problems and create additional inducements.

Recently, the improvements in the administration of the federal relocation law have been threatened by a policy change being considered by the Secretary of the Interior. This change would discard existing Relocation Commission move programs and impose a moratorium on the relocation of Navajo families who voluntarily complied with the law. Many of these families have been waiting years for their relocation homes. Under such a policy many would remain as refugees for years to come.

I am not sure why a radical change is being considered now -- when things are moving more smoothly. I suppose it is that some people are frustrated that it has taken so long to complete the relocation program. But the federal relocation law sought to resolve more than one hundred years of competing claims to scarce resources. The federal government's solution required that thousands of traditional Navajo families be ripped away from the lands that they, for generations, had considered to be sacred -- their tie to their religion, tradition, and all of life itself.

As a people, the entire Navajo Nation has been stunned by the implementation of the federal relocation law. The Tribe's recovery from the impacts of the federal relocation law will take generations. We are not at all surprised that the

relocation of more than ten thousand traditional Navajo people could not be completed in ten years.

Representatives of the federal government also should not be surprised. Moves to hasten the relocation of Navajos from the Hopi-partitioned lands at the expense of the considered implementation of programs which took nearly a decade to develop will disrupt and slow the relocation, increase the cost to the federal government and threaten the maintenance of law and order. We understand from Relocation Commission staff that there has been a dramatic decrease in the number of housing acquisition contracts signed since release of Secretary's February policy statement. In fact, we understand that few if any such contracts have been signed.

The Navajo Nation supports the move processing priorities and the group move programs implemented by the Relocation Commission -- at least until this past February. One of the most important protections that we could ask for from this Committee is the inclusion of language in this year's appropriation measure conditioning the expenditure of housing construction monies upon adherence to those policies. As we understand it, the Commission's move processing system provides expedited consideration to: (1) households currently residing under conditions that pose a risk to health or safety; (2) District 6 evictees; (3) households participating in group moves; and (4) other families wishing to move with priority given to Hopi-partitioned lands residents.

While we believe that justice and fairness require that the more than 700 refugee families that voluntarily complied with the law receive their relocation homes first, today we are asking for enough protection to avoid disaster. We are asking for enough protection to give tribal representatives time to work on positive programs again, rather than requiring those representatives to (1) spend extraordinary amounts of time trying to explain changes in federal policy to the refugees and the people on the land; (2) explain to representatives of the federal government why these kinds of changes should not occur.

We believe it would also help normalize the situation on the land if the Subcommittee's recommended bill language prohibited the use of appropriated funds to construct houses which were not the subject of housing acquisition contracts between relocatees and the Relocation Commission. The Secretary has said that he opposes forced relocation and that there will be no forced relocation. The Navajo Nation, however, does not understand how the Secretary is going to fulfill his promise to move Hopi-partitioned land residents, including resisters, <u>voluntarily</u> to housing which they have not selected. Permitting the Secretary to try and compel

institution of such a program could result in one of the single disasters that has occurred under the federal relocation law and must be prevented.

The record of the Relocation Commission over the last several years bears out that improvements in the administration of the relocation law, not the threat of forced relocation, have encouraged more Hopi-partitioned land residents to move. Fulfillment, in a timely manner of the relocation law's promise that there would be "community facilities and services, such as water, sewers, roads, schools, and health facilities" available at relocation sites would be anther such improvement. We therefore respectfully request that this year's appropriation bill also include a direction to the Relocation Commission -- or perhaps, to the new Commissioner -- that a report be developed, in consultation with representatives of the Navajo Nation, the Bureau of Indian Affairs and the Indian Health Service, which projects needs for community facilities and services on Navajo lands impacted by the relocation law. Such a report would be an invaluable tool in helping the responsible agencies to budget for relocatee needs.

The Navajo Nation believes as strongly as ever that the relocation of innocent Navajos because of the federal government's failure to properly define the boundaries of Navajo and Hopi Indian reservations more than a century ago is unconscionable. We have nonetheless worked hard for more than a decade to assist Navajos choosing to comply with that law and to see that the law is administered as humanely as possible. At no point, however, has the Navajo Nation abandoned the hope that one day, together with the Hopi Tribe, we will be able to find a mutually acceptable solution which will allow those Navajo families unable to abandon their sacred lands to stay on those lands.

Thank you.

THE NAVAJO NATION

TESTIMONY OF MR. CECIL NEZ, PRESIDENT
NAHAT' A' DZIIL COMMITTEE
("New Lands" Relocatee Local Government)

Before the
Subcommittee on Interior and Related Agencies,
Committee on Appropriations,
House of Representatives

May 8, 1990

Thank you, ladies and gentlemen of the Interior Appropriations Subcommittee for the opportunity to submit this testimony. My name is Cecil Nez. I am president of the Nahat'a' Dziil Committee, the tribally-recognized local government of the Chambers/Sanders Trust Lands ("New Lands"). I am here on behalf of those Navajo families who relocated to these lands, and on behalf of their relatives who are living there as refugees.

Pursuant to Public Law 93-531, 148 homes are now occupied in the "New Lands" with 700-800 people residing there. These families relocated in hopes that their lives would be better than when they were living in the Hopi-partitioned lands. As we were being counseled to move, we were persuaded that there would be employment for us and our children. We were promised there would be a Chapter House and tribal service center, that community services would be provided. We were told that social services and human resource development programs would be available.

We left our sacred lands because we were promised these things. Today I stand here to let you know that these promises have not been fulfilled. We face problems just as we did on the Hopi-partitioned land. We have concerns and needs that still have not been addressed.

We are waiting for the appointment of the New Commissioner of Navajo and Hopi Indian Relocation. The Nahat'a' Dziil Committee looks forward to establishing a good relationship with the new Commissioner and his staff. We hope that he will work with the federal government and the agencies of the Navajo Nation in a joint effort to

provide services to the people of the "New Lands" and to ensure that the promises made to us are fully redeemed.

We hope that the new Commissioner will address the needs of our community for increased grazing. We do not understand why our livestock are limited while so much rangeland goes unused in the "New Lands". Often we have to use our domestic water supplies for our livestock. We feel that with more windmills and earth dams we would be able to graze more livestock.

We are aware that the Navajo Nation and the Relocation Commission have requested funding for necessary programs. We urge you to support those requests. Some of the issues which need to be addressed are:

EMPLOYMENT AND ECONOMIC DEVELOPMENT

Relocatees should be provided training and funds should be available for workshops. Training and job placement should be done as part of economic development. There are general contractors working on the "New Lands" constructing homes, roads, water systems, and the community center. The Relocation Commission does not require them to hire relocatees and Navajo preference is not enforced in these contracts. We feel that this should change, and that the Nahat a' Dziil Planning Committee should be consulted in future development plans.

HEALTH SERVICES

We feel that relocation and the stress caused by the land dispute are the most probable cause of our poor health. The majority of relocatees are in need of health care. Many of us are at the stage of old age and in poor health. This contributes to medical emergencies and raises the need for ambulance services and fast medical response. Some of the people here who need access to medical machines or equipment now travel 200 miles to Tuba City for treatment.

HOUSING FOR NON-CERTIFIED FAMILIES

There are now families living among us who are not eligible for relocation benefits. They live here because they have nowhere else to go and because they are part of our families. They are not allowed to receive homesites in the "New Lands". Also many of our children are growing up and wish to start families of their own. We would like to work with the Office of Navajo and Hopi

Indian Relocation and the Navajo Nation to plan and develop homesites for these people. We feel that the law should be changed to allow for the normal growth of our community.

PUBLIC ASSISTANCE

For us in the "New Lands" as well as for other people who relocated off reservation, we were removed from a place where we could live off the land and fulfill our financial needs.

Now we live in a place where we need money. We lack employment opportunities here, and many people who went to other communities lack job skills. We need assistance for: electric, water, and propane bills; vehicle and home insurance; clothing; vehicle payments; and taxes. These are need we have because of relocation, but welfare and general assistance are not enough to meet them.

PUBLIC SAFETY SERVICES

We need full time police protection in the "New Lands". The nearest full-time tribal police station is sixty miles away in Window Rock. Other public safety agencies are often unwilling to assist in the "New Lands" because of jurisdictional questions. Because of open liquor sales in the area, there are intoxicated people roaming around our community. We need a public safety station right now. We also need fire protection and ambulance services.

TRIBAL SERVICES

There is a need for a service center where we can receive tribal services. At present, service workers have to visit us in our homes or come down for the day. We are always having to go to Window Rock or Fort Defiance for services.

ROAD DEVELOPMENT

Many of the access roads in the "New Lands" are in very poor shape. There has been little or no maintenance in these roads and many are washboarded, with resultant wear and tear on our vehicles. Also we would like to see rapid implementation of Road 2030 so our children don't have to be bused along the interstate highway.

HOME REPAIR PROGRAM

Many of us are experiencing difficulties with our relocation homes. Some people believe that this is because of poor construction. When things break down, sometimes we find that the contractor who built the home has gone out of business. We feel that measures should be taken to address this problem.

There are many other issues which arise on a day to day basis. We feel that with the support of Congress our ability to address these issues in cooperation with the Office of Navajo and Hopi Indian Relocation and agencies of the Navajo Nation will increase. Thank you.

30-547 O—90——20

Mr. YATES. You have some disturbing statements in there, Mr. Haskie. Mr. Atkinson, are you building houses willy-nilly?

Mr. ATKINSON. We are not building houses willy-nilly. We have never moved a relocatee family except to a site that they have chosen.

Mr. YATES. Does that agree with you?

Mr. HASKIE. Pursuant to the Secretary's unilateral policy statement, certainly there is a strong evidence and apparentness of willy-nilly construction.

Mr. YATES. Does the willy-nilly apply to the future or to the past?

Mr. HASKIE. The future.

Mr. YATES. It all depends then on whether or not the Commission follows the Secretary's statement and I am not sure I agree with the Secretary on this. That is one of the things I want to talk with the Commission about when we talk to them. I thought your remarks were well stated. I don't have any questions except I will have some questions of the Commission. Now I would like to hear from the Hopi President.

You heard the Navajo statement. He concluded by saying that he hoped that the Navajo and the Hopi could get together and settle all of their differences in a friendly fashion. Is there any hope of that?

HOPI STATEMENT

Mr. MASAYESVA. Let me put it this way: I certainly do agree with President Haskie that we both want a kinder, gentler relocation guided by a thousand points of wisdom.

Mr. YATES. Will you take 500?

Mr. MASAYESVA. Mr. Chairman and distinguished members of the subcommittee, I would like to thank you on behalf of the Hopi Tribe for providing this opportunity to present testimony on a subject that remains of consuming importance to the Hopi people—the Navajo-Hopi Relocation program.

I do apologize for the laryngitis that seems to have accompanied me on my first presentation before this distinguished Committee.

Mr. YATES. All politicians have it.

Mr. MASAYESVA. All lawyers do on their closing arguments, I understand. Maybe it is time that we all lower our voices and quietly complete the relocation process.

As this is my first appearance before the subcommittee as the newly elected Hopi Chairman, let me say that it is both an honor and a pleasure to appear before you on behalf of the Hopi people.

I appreciate the attention this subcommittee gives to Hopi concerns, and look forward to the privilege of working with you in the coming months to improve programs benefiting the Hopi Tribe, our Navajo neighbors, and indeed, all Native American peoples.

I am confident that the subcommittee shares Hopi eagerness to put one program behind us by completing the Navajo-Hopi Relocation Program as soon as feasible.

Progress in completing relocation continues, but remains painfully slow. I know the subcommittee is well aware of the many problems which have plagued the Relocation Program over the years, and I thank the subcommittee for diligently coping with such problems in order to complete relocation.

As is the Hopi way, we will remain patient, always prepared to work cooperatively with the Navajo Tribe to alleviate problems associated with relocation activity.

As an example of that spirit of cooperation, I recently proposed the formation of a high-level task team to the Navajo Interim Tribal Chairman Leonard Haskie which would develop solutions to problems associated with relocation, including the trespassing of animals and stealing of resources off the Hopi-Partitioned Lands. Interim Chairman Haskie agreed to the formation of such a team.

With this development, I am encouraged that the prospects for further inter-tribal cooperation will continue. Last Friday, we both agreed on a joint Navajo-Hopi airport authority.

According to the Office of the Navajo-Hopi Indian Relocation figures, there are approximately 200 Navajo families awaiting relocation off the Hopi-partitioned lands.

The end to this process appears to be in clear sight.

Accordingly, the Hopi Tribe respectfully urges the Committee to fully fund relocation activities in order to conclude this process expeditiously.

Further, in that regard, we think it imperative that no changes in relocation policy be implemented that might in any way frustrate or confuse the swift completion of relocation.

Mr. YATES. Are you referring to the Secretary's letter?

Mr. MASAYESVA. Yes.

Mr. YATES. So neither you or the Navajo want the Secretary's letter to be carried out?

Mr. MASAYESVA. No. We believe that the Secretary states the Hopi position accurately.

Mr. YATES. Perhaps I don't understand. I had the impression when I asked you the question, you said you wanted no change in the policies that have taken place.

I said, "Does that mean that you do not want the Secretary's letter implemented?" and you said, "I do not," and then you changed your mind or perhaps we are confused. The Secretary proposed to speed up relocation from the HPL.

Mr. MASAYESVA. That is correct.

Mr. YATES. Even though there may not be homes built for the people?

Mr. MASAYESVA. I believe that is not a condition for his policy.

Mr. YATES. It may not be, but it may be a fact that is in existence. Would that alter your thinking on it if there are no homes built yet?

Mr. MASAYESVA. The policy requires that safe, sanitary homes be provided for the Navajos prior to relocation.

Mr. YATES. You think the letter then is subject to that admonition?

Mr. MASAYESVA. I believe what the Secretary is saying is that the focus should be on those Navajo families who are physically living on our reservation to be moved first and I don't think this is inconsistent with the position of this Committee.

Mr. YATES. Okay.

Mr. MASAYESVA. The Hopi Tribe believes it crucial that no alteration or funding restraints be imposed on current relocation priorities at this time. The first and overwhelming priority of relocation

must remain the relocation of Navajo physically domiciled on the Hopi-Partitioned Land.

As the distinguished chairman noted in a prior Floor debate, this method of relocation, worked out painfully over fourteen years, must move forward and not backward. This is especially true now that the end is near.

Aside from funding and funding policy changes, the Hopi tribe is and remains concerned over possible program policy changes which may frustrate or delay relocation activity, the "group move" process and the order of "emergency moves."

The problem with the "group move" policy is that it is vaguely defined and contains no limit to the number of off-HPL residents eligible to move along with on-HPL residents, leaving room for abuse.

The Hopi Tribe still remains unopposed to the "group move" concept as a method for humanely expediting relocation. However, the Hopi Tribe strongly believes that the new commissioner should establish guidelines to evaluate "group move" requests so that the policy does not become a tool for frustrating relocation.

On the second issue, that of emergency moves, the Hopi Tribe supports the new Commissioner's discretionary ability to evaluate the necessity of an emergency move, and to act on the request if there is a demonstrated need.

To the greatest extent feasible, the priority of relocation must remain with the residents of the HPL. This is the essence of relocation—clearing the HPL so that Hopi autonomy over its own land might be undiminished, finally and forever.

Mr. Chairman, there remains a host of other important resource issues of vital interest to the Hopi Tribe and in many instances the issues are of joint importance to our Navajo neighbors. This is neither the right time or place to outline all of those requirements.

Some of these issues are included in my prepared remarks for today, which I would respectfully request, Mr. Chairman, be made part of the record. Other issues have been forwarded to the Committee by letter in a timely fashion so that they might be included in the Committee record as well. The subcommittee's thoughtful deliberation regarding all such resource needs will be deeply appreciated.

As Chairman of the Hopi Tribe, I would like to conclude by again respectfully expressing Hopi appreciation for the diligence with which this subcommittee has pursued and continues to pursue Hopi concerns.

The Hopi Tribe is especially thankful for this subcommittee's determination to see the relocation process through to a conclusion without dilatory and confusing changes in the ground rules, such as with priority status. We respectfully urge the subcommittee to maintain this steady course.

Thank you, Mr. Chairman, personally and on behalf of the Hopi Tribe, for allowing me to present this testimony today.

[The prepared statement of Mr. Masayesva follows:]

COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON THE INTERIOR

U.S. HOUSE OF REPRESENTATIVES

FISCAL YEAR 1991

CHAIRMAN VERNON MASAYESVA

HOPI TRIBE

APRIL 23, 1990

Mr. Chairman, Mr. Regula, and distinguished Members of the Subcommittee, I would like to thank you on behalf of the Hopi Tribe for providing this opportunity to present testimony on a subject that remains of consuming importance to the Hopi people, the Navajo-Hopi Relocation Program.

As this is my first appearance before the Subcommittee as the newly elected Hopi Chairman, let me say that it is both an honor and a pleasure to to appear before you on behalf of the Hopi people. I appreciate the attention this Subcommittee gives to Hopi concerns, and I look forward to the privilege of working with you in the coming months to improve programs benefiting the Hopi Tribe, our Navajo neighbors, and, indeed, all Native American peoples.

I am confident that the Subcommittee shares Hopi eagerness to put one program behind us by completing the Navajo-Hopi Relocation Program as soon as feasible. Progress in completing relocation continues, but remains painfully slow. I know the Subcommittee is well aware of the many problems which have plagued the Relocation Program over the years, and I thank the Subcommittee for diligently coping with such problems in order to complete relocation.

For the last 16 years, the Hopi Tribe has waited patiently to regain control over the Hopi Partitioned Lands (HPL) -- the land partitioned exclusively to the Hopi Tribe pursuant to the 1974 congressional legislation. During the same

congressional partitionment, the Navajo Tribe received exclusive domain over separate land, known as the Navajo Partitioned Lands (NPL). Today, the Navajo Tribe enjoys unrestricted use of the Navajo Partitioned Lands. Tragically, the Hopi Tribe cannot make the same claim to its own land. Instead, the Hopi Tribe must wait for the relocation process to be completed and must spend precious Tribal resources in litigation defending our rights to the HPL under the terms of the 1974 Settlement Act. We look forward to the day when we too can enjoy unrestricted use of the Hopi Partitioned Lands and devote our resources to more productive projects for our people.

As is the Hopi way, we will remain patient, but diligent -- always prepared to work cooperatively with the Navajo Tribe to alleviate problems associated with relocation activity. As an example of that spirit of cooperation, I recently proposed the formation of a high level task team to the Navajo Interim Tribal Chairman Leonard Haskie which would develop solutions to problems associated with relocation, including the trespassing of animals and stealing of resources off the Hopi partitioned lands. Interim Chairman Haskie agreed to the formation of such a team. With this development, I am encouraged that the prospects for further inter-Tribal cooperation will continue.

According to the Office of the Navajo Hopi Indian Relocation figures, there are approximately 200 Navajo families awaiting relocation on the Hopi Partitioned

Lands. The end to this process appears to be in clear sight. Accordingly, the Hopi Tribe respectfully urges the Committee to fully fund relocation activities in order to conclude this process expeditiously. Further, in that regard, we think it imperative that no changes in relocation policy be implemented that might in any way frustrate or confuse the swift completion of relocation.

In P.L. 100-666, the Congress raised the authorization levels for relocation housing and incentive payments to relocatees in an effort to expedite the completion of relocation. Specifically, the Congress raised the authorization level for incentive payments to relocatees under section 14(b) of P.L. 93-351 from $7.7 million to $13 million, and increased the authorization for relocation housing, moving expenses and other payments to which relocatees are entitled, from $15 million to $30 million annually for fiscal years 1989, 1990, and 1991. The Hopi Tribe supports the raised authorization levels as an essential component to completing the relocation effort. To the extent feasible, the Hopi Tribe respectfully urges the Committee to make every effort to fully fund the relocation program at the authorized levels so that program completion might become a reality.

The Hopi Tribe believes it crucial that no alteration, or funding restraints, be imposed on current relocation priorities at this time. The first and overwhelming priority of relocation must remain the relocation of Navajo physically domiciled on the Hopi Partitioned Land. As the distinguished Chairman noted in a prior Floor

debate, this method of relocation, worked out painfully over fourteen years, must move forward and not backward. This is especially true now that the end is near.

Aside from funding and funding policy changes, the Hopi Tribe is and remains concerned over possible program policy changes which may frustrate or delay relocation activity. These potential policy changes flow from communications between the Office of Navajo and Hopi Indian Relocation and Secretary Lujan relative to the "group move" process and the order of "emergency moves."

To set the record straight, the Hopi Tribe agreed to the "group move" process as a method of expediting relocation. Such a process would allow off-HPL resident family members to move along with on-HPL resident families to areas such as the New Lands. When first envisioned and subsequently practiced, the concept worked reasonably well. Several on-HPL families were moving with a few off-HPL families to the New Lands area. Now it appears that the numbers are shifting and more off-HPL residents are moving with fewer on-HPL residents. The problem with the "group move" policy is that it is vaguely defined and contains no limit to the number of off-HPL residents eligible to move along with on-HPL residents -- leaving room for abuse. The Hopi Tribe still remains unopposed to the "group move" concept as a method for humanely expediting relocation. However, the Hopi Tribe strongly believes that the new Commissioner should establish guidelines to evaluate "group move" requests, so that the policy does not become a tool for frustrating relocation.

On the second issue, that of emergency moves, the Hopi Tribe supports the new Commissioner's discretionary ability to evaluate the necessity of an emergency move, and to act on the request if there is a demonstrated need. To the greatest extent feasible, the priority of relocation must remain with the residents on the HPL. This is the essence of relocation -- clearing the HPL so that Hopi autonomy over its own land might be undiminished,..finally and forever.

There are two issues related to the relocation program to which I would like to briefly direct the Subcommittee's attention. They involve range conservation and restoration activities on the Hopi Partitioned Lands and a Hopi Health Care Center.

Range Restoration and Conservation Activities on the HPL

The Navajo Hopi Settlement Act, P.L. 93-531, and amendments thereto, P.L. 96-305, provided for the conduct of range conservation and restoration practices on the Hopi Partitioned Lands and the Navajo Partitioned Lands. Monies are authorized to be appropriated for land restoration purposes under Section 25 of P.L. 93-531, and Section 10 of P.L. 93-305. Funds are appropriated annually by the Congress to be utilized for range improvements on the Former Joint Use Area.

Since February 1984, the Hopi Tribe has performed range conservation and restoration practices on HPL range units where no Navajos reside, under a Bureau of Indian Affairs contract. To date, this program has been extremely effective. Under the BIA contract, we have installed pipeline systems, renovated and constructed earthen dams, and drilled necessary wells. Unfortunately, the funding level for such projects has not been increased proportionately to include the expanded scope of work brought on by the turnover of HPL range units vacated by Navajo relocatees. The Hopi Tribe respectfully requests additional funding to successfully complete our workload for this fiscal year.

Within the conduct of range restoration activities, the Hopi Tribe has contracted with the Bureau of Indian Affairs to maintain and repair range water facilities and fence lines within certain portions of the HPL. Since 1978, we have undertaken these restoration activities in the southern half of the HPL. Northern HPL fencing is currently the responsibility of the BIA and Navajo Tribe. Much of the northern HPL area is still unfenced. The unfenced area makes it extremely difficult for the Hopi Tribe to stop the trespass of animals into farming areas. When we do capture and impound the Navajo livestock, it adds to tension between the Tribes and we end up in court trying to resolve the trespass cases. This problem can be avoided by allowing the Hopi Tribe to contract for the construction and maintenance of the northern HPL fence lines. The projected cost of the entire effort would be $565,000 annually. This funding level would allow the Hopi Tribe

to service all range water facilities and fences in the District Six area and the Hopi Partitioned Lands. The ability to fence the northern HPL and repair range water facilities in the area would improve relations between the Tribes and allow us to appropriately care for our land and our animals.

Hopi Health Care Center

The Hopi Tribe has always considered the relocation formula to include a provision for a Hopi health care facility. P.L. 93-531, as amended by P.L. 96-305 (July 8, 1980), provided that the Secretaries of Interior and Health and Human Services assign the highest priority to the funding and construction of a Hopi High School and Hopi Medical Center.

Subsequently, the Hopi Tribe received funding for a Hopi High School, and through the help of this Committee last year we were able to start on the planning and design phase of a Hopi health care facility. We thank the Committee for their work in this area.

Once the FY '90 Interior appropriations measure was signed into law, the Hopi Tribe formed an Ambulatory Care Center Task Team to assist in collection of the appropriate data for the Center's construction and to oversee the Center's development. The Indian Health Service is now in the process of evaluating the

Hopi Tribe's specifications for the selection of a design contractor. We expect that the design phase will be complete by December 31, 1990. Accordingly, we would like to begin construction of the infrastructure of the health care facility. To proceed, we respectfully ask the Committee to provide the Indian Health Services facilities budget $1,500,000 for the construction of the Hopi facility, an access road, electricity, water, and waste disposal.

Other Resource Requirements

Mr. Chairman, there remains a host of other important resource issues of vital interest to the Hopi Tribe and in many instances the issues are of joint importance to our Navajo neighbors. This is neither the right time or place to outline all of those requirements. Please be assured that our request for consideration of these issues will be forwarded to the Committee by letter in a timely fashion so that they might be included in the Committee record. Your thoughtful deliberation regarding such resource needs will be deeply appreciated.

Conclusion

As Chairman of the Hopi Tribe, I would like to conclude by again respectfully expressing Hopi appreciation for the diligence with which this Subcommittee has pursued and continues to pursue Hopi concerns. The Hopi Tribe is especially thankful for this Subcommittee's determination to see the relocation process through to a conclusion without dilatory and confusing changes in the ground rules, such as with priority status. We respectfully urge the Subcommittee to maintain this steady course. Thank you Mr. Chairman, personally and on behalf of the Hopi Tribe, for allowing me to present this testimony today.

Mr. YATES. We appreciate your statement and I appreciate the difficulties with which you presented it. I am glad to have statements by both Navajo and Hopi and the Committee will give them every consideration. Your statements may go into the record.

Now we will hear from the Commissioners. We have just one statement by all three. Ms. Massetto, do you agree with your male counterparts?

You haven't filed a dissent to this?

Mr. ATKINSON. Mr. Chairman, we have submitted the statement to you. Do you wish us to read it?

Mr. YATES. No, it may go into the record.

[The prepared statement of Mr. Atkinson follows:]

UNITED STATES GOVERNMENT

NAVAJO & HOPI INDIAN RELOCATION COMMISSION

P. O. BOX KK • FLAGSTAFF, ARIZONA 86002

STATEMENT

Before the House Committee on Appropriations, Sub-Committee on the Department of the Interior and Related Agencies. In support of Appropriations for the Navajo and Hopi Indian Relocation Commission for Fiscal Year 1991.

HAWLEY ATKINSON, CHAIRMAN
RALPH A. WATKINS, JR., VICE-CHAIRMAN
SANDRA MASSETTO, COMMISSIONER

APRIL 23, 1990

MR. CHAIRMAN:

My fellow Commissioners and I are pleased to appear before you today and answer any questions you may have in regard to the agency's 1991 appropriations request.

The Navajo and Hopi Indian Relocation Commission has always fully expended the funds appropriated to it for the acquisition of housing: The speed of relocation has been dictated by the amount of dollars appropriated by the Congress and we have fully met the goals supported by Congressional appropriations. The Navajo and Hopi Indian Relocation Commission has finished its most productive year. In Fiscal Year 1989, the Commission relocated 266 households. This was an increase of nearly 30% over the highest relocations of 204 in 1988 and 1986. We are also pleased to report that the on-reservation relocations increased by 5 percentage points to 71%. The programs initiated by the Commission, during the last three years, have provided the most efficient and productive period that the Commission has ever enjoyed.

President Bush has nominated Mr. Carl Kunasek to assume the position of Commissioner under the provisions of P.L. 100-666 and it is, therefore, almost certain that this will be the last time that this Board of Commissioners will appear before your Committee.

Mr. Carl Kunasek is an outstanding American who has proven his capabilities by his service to Arizona. His administrative and legislative records are a reflection of his concern and commitment. We are delighted to know that we are transferring to Mr. Kunasek a most efficient, well run organization comprised of dedicated staff members who have devoted many years to this most difficult and perplexing problem. We have had numerous meetings with Mr. Kunasek and we stand ready to assist him in any way which he might desire.

We wish to thank you, Mr. Yates, for the courtesy and understanding you and your committee have shown us. With that, Mr. Chairman, the Commissioners are prepared to respond to any of your questions regarding our proposed budget for Fiscal Year 1991.

HOUSEHOLDS REMAINING TO RELOCATE

Mr. YATES. I wish you to tell me what problems you have and what the committee can do about them and how much money you need. You have two hundred families still remaining, according to the figures that I have.

Mr. ATKINSON. We have far more than 200 families, Mr. Chairman.

Mr. YATES. Two hundred families on the HPL?

Mr. ATKINSON. Yes.

Mr. YATES. And four hundred others?

Mr. ATKINSON. I think that figure would be closer to 600 others.

Mr. YATES. So you have 800 families—how many of the families are housed? How many houses do you have in prospect of being used by them?

Mr. ATKINSON. We don't build a home, sir, until a contract is signed with the relocatee.

Mr. YATES. So you are not building them willy-nilly——

Mr. ATKINSON. I was glad President Haskie corrected that.

Mr. YATES [continuing]. Into the future?

NEEDED APPROPRIATIONS

Mr. ATKINSON. We have approximately 900 more families to move. Our problem that we have always brought to you is a lack of appropriation to complete the relocation process in a timely fashion.

SANDS DECISION

Mr. Yates, we have another problem that you asked me about that I think should be brought to your attention and with Mr. Bavasi's permission, I will ask Mr. Tessler to comment on the Sands decision.

Mr. TESSLER. There was recently a decision in a case, Sands versus Navajo-Hopi Indian Relocation Commission, which gave the right to request hearings to approximately 500 more families—I am sorry, 765 families.

Mr. YATES. The right to request hearings?

Mr. TESSLER. These were families who were denied—the issue was whether the notice of the denial was sufficient. The court concluded that while we did not violate constitutional provisions, we should give 765 families the opportunity to request an eligibility hearing.

We have had 500 requests so far——

Mr. YATES. This is in addition to the figures you gave?

Mr. TESSLER. Correct. A good portion of them would become eligible, a guess would be that 25 to 30 percent of those would become eligible. There could be several hundred more families on top of the 2,686 who are already eligible, so in terms of alerting the committee to this situation——

Mr. YATES. Navajo or Hopi?

Mr. TESSLER. Navajo.

HEARING SCHEDULES

Mr. YATES. How long will the hearings last?

Mr. TESSLER. Several years. At the rate we have been holding them, they could take a long time, but we are in the process of getting final numbers of the people eligible under the Sands decision and setting up a hearing process to expedite that.

Mr. YATES. No appeals from the Sands decision?

Mr. TESSLER. No.

Mr. YATES. I thought we were coming to the end of it. Apparently we are just coming to the beginning of the end. Why did this occur? Why did you not give them hearings in the first place?

Ms. MASSETTO. The process at the Commission is that a denial notice is sent to the applicant. They are usually sent to post offices because of the mailing system we have on the reservation.

We have a signed receipt—there were people that signed for these individuals, but that wasn't the individual that——

Mr. YATES. Presumably, an unauthorized signature?

Ms. MASSETTO. It was a notice question. The court said that maybe if they had received the notice in a timely manner, they could have appealed their denial decision. So they asked us to go back and determine how many people were in this category. We came up with about 700 names.

The Commission has been working with the Legal Office at the Navajo Tribe and we anticipate about 500 more appeals that we will have to go through. We have been averaging—it has been very slow, about 75 a year.

Part of the reason that the appeals are so slow is that we have tried to work with the Navajo Tribal Legal Office. It is difficult to get the people in, so our work is dictated by the work that the Navajo Tribal Legal Office can put together.

We have been doing 75 a year. We may need an additional hearing officer and I think the tribe is going to have to look closely at adding on to their legal services people at the other end.

ROAD CONSTRUCTION

Mr. YATES. So you want another—this year you want $31,449,000. What happens as a result of being cut back by approximately $5 million?

Mr. ATKINSON. We are somewhat limited in our execution of the program, but we feel we can move about 260 families with the moneys that have been appropriated, and we accept that.

We are endeavoring to do it.

Mr. YATES. Let me see if I understand you correctly. What could you have done had you the additional $5 million that you can't do now?

Mr. ATKINSON. We could have moved additional families.

Mr. YATES. How many more would you have moved?

Mr. MCALISTER. We average $70,000 per move. There is one factor paramount in that reduction and that is the roads money.

Mr. YATES. Tell me about the roads money.

Mr. ATKINSON. Well, for us to fully accomplish and live up to the law, we have to put a certain amount of roads in. To do that, we have—the BIA was helping us at one time, but now that has been

turned directly to us and the $5 million would have basically gone to roads.

They just simply have to be put on the back burner. Some would be in what we call the New Lands, the 365,000 acres of ranch land in northern Arizona and those roads lead out to the range sites and through the range.

They would help us to maintain better roads in the community area as well, and I think that we are so accustomed to having been cut back that it doesn't come as any great surprise, but it will slow down the program.

SECRETARY LUJAN'S LETTER

Mr. YATES. How will the Secretary's letter affect your work?

Mr. ATKINSON. Well, the Secretary's letter and the responses from congressional Members are not going to particularly expedite it.

Originally in the law in 1974—and I believe you were a Member of Congress then and Mr. Lujan was—established us as an independent agency in the Executive Branch.

Since then, roughly in 1985, the Justice Department determined that we were not an independent agency or that we were an independent agency, but that we were answerable to the Secretary of Interior and that he was our immediate boss and as such, we have, of course, listened to the Secretary.

We are on his team. We are a part of his team, and Mr. Lujan, Secretary Lujan, has represented in his congressional district many Native Americans. He has been concerned with them and committed to them and he has been——

Mr. YATES. Do you have a copy of the decision of the Justice Department?

Mr. ATKINSON. I don't think I have one with me, sir.

Mr. YATES. What reasons do they ascribe for saying you weren't independent?

Ms. MASSETTO. Power of appointment. Power to appoint is power to remove and there were several inferences drawn and they determined that we were not an independent agency.

The language in the Act said "independent entity," not independent agency, and they took that to be a restricted interpretation.

Mr. YATES. Agency is different than entity?

Ms. MASSETTO. So Justice said.

Mr. YATES. Make available a copy of that.

Mr. ATKINSON. Yes, sir.

[The information follows:]

U.S. Department of Justice
Office of Legal Counsel

Office of the
Deputy Assistant Attorney General

Washington, D.C. 20530

JAN 17 1985

MEMORANDUM FOR

FRANK K. RICHARDSON, SOLICITOR
DEPARTMENT OF THE INTERIOR

W. O. CRAFT, JR., COUNSEL
NAVAJO AND HOPI INDIAN RELOCATION COMMISSION

JOSEPH A. MORRIS
GENERAL COUNSEL
UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Re: Status of the Navajo and Hopi Indian Relocation Commission and Removability of its Commissioners

This responds to your memorandum of October 3, 1984, requesting the views of this Office regarding the Navajo and Hopi Indian Relocation Commission (the "Commission"). Specifically, you have asked: 1) whether the Commission is an "Executive agency" within the meaning of 5 U.S.C. § 105 and 5 U.S.C. § 3132(a)(1); and 2) whether the Commissioners serve at the pleasure of the Secretary of Interior, their appointing official, or are removable only for cause. We have considered these questions, in view of the Commission's unique structure, and have concluded that, for purposes of 5 U.S.C. § 105 and § 3132(a)(1), the Commission does not constitute an "Executive agency." Rather, we believe that the Commission, when viewed in light of all relevant factors and particularly the appointment of its members by the head of a department, is most appropriately considered to be a part of the Department of the Interior. Regarding the removability of the Commissioners, we conclude that the long-standing rule that, in the face of statutory silence, the power of removal is presumptively incident to the

power of appointment is applicable to the Commission. Thus, it is our view that the Commissioners, as inferior officers of the Executive Branch, serve at the pleasure of the Secretary of the Interior.

I. FACTUAL BACKGROUND

The Navajo and Hopi Indian Relocation Commission was created by Congress in 1974 as part of a larger scheme "to provide for final settlement of the conflicting rights and interests of the Hopi and Navajo Tribes to and in lands lying within the joint use area of the reservation established by the Executive order of December 16, 1882, 1/ and lands lying within the reservation created by the Act of June 14, 1934 2/ . . . ." Pub. L. No. 93-531, 88 Stat. 1712 (1974). The Commission was created in part to alleviate the long-standing tensions in northeastern Arizona between the sedentary village-based Hopis and the semi-nomadic Navajos who had gradually migrated to and surrounded land claimed by the Hopi Tribe.

As early as 1881, President Arthur attempted to alleviate the pressures of the Navajo migration on the Hopis by establishing the 1882 reservation in the Territory of Arizona for the use and occupation of the Hopi and "such other Indians as the Secretary of the Interior [saw] fit to settle thereon." S. REP. NO. 1177, 93d Cong., 2d Sess. 12 (1974). See also Healing v. Jones, 210 F. Supp. 125, 129, n.1 (D. Ariz. 1962), aff'd 373 U.S. 758 (1963). However, the boundaries of the 1882 reservation proved difficult for the United States to protect, with the result that by the mid-1950's, approximately 10,000 Navajos occupied the two and a half million acre reservation.

1/ The Executive Order of December 16, 1882 withdrew from the public domain nearly 2,500,000 acres of land, to be reserved "for the use and occupancy of the [Hopi], and such other Indians as the Secretary of the Interior may see fit to settle thereon." Healing v. Jones, 210 F. Supp. 125, 129 n.1 (D. Ariz. 1962), aff'd 373 U.S. 758 (1963). This land is known as the "1882 reservation." Id. at 128.

2/ See 48 Stat. 960, "The Navajo Indian Reservation Act," defining the exterior boundaries of the Navajo Reservation, which expressly excluded "the Hopi Indian Reservation created by Executive Order of December 16, 1882." Id. at 961.

As tensions between the two tribes escalated, Congress, in 1958, authorized each tribe to institute or defend actions against the other in a three-judge court of the District Court of Arizona "for the purpose of determining the rights and interests of such parties in and to said lands and quieting title in the tribes or Indians establishing such claims pursuant to [the] Executive order [of December 16, 1982,] as may be just and fair in law and equity. . . ." Act of July 22, 1958, Pub. L. No. 85-547, 72 Stat. 403. Pursuant to this authorization, in 1962, the Hopi Tribe sued the Navajo Tribe for a declaration of its rights in the 1882 reservation, claiming that it had exclusive beneficial interest in all of the reservation lands for the common use and benefit of the Hopi Indians. The Navajo Tribe countered that it had exclusive interest in approximately four-fifths of the 1882 reservation for the common use and benefit of the Navajo Indians, conceding that the Hopi Tribe had an exclusive interest only in the remaining one-fifth of the reservation which it had continuously occupied. See Healing v. Jones, supra.

The court held that, subject to the trust title of the United States, the Hopi Tribe had an exclusive interest only in that part of the 1882 reservation which they had settled with the permission of the Secretary of the Interior, and that the Hopi and Navajo Tribes had "joint, undivided and equal interests in and to all of the 1882 reservation lying outside the boundaries" of the Hopi settlement. Id. at 132. The latter area is known as the "joint use area." However, the court held that the 1958 Act conferring jurisdiction to adjudicate the tribes' respective rights in the reservation did not confer authority on it to partition the lands held jointly between the two tribes. Id. at 189-92. As a result of the absence of such a partition, the Navajo Tribe continued to appropriate the joint use area for its exclusive possession. The Hopi Tribe petitioned the court on several occasions subsequent to the Healing decision seeking a writ of assistance to enforce its rights to the joint use area, but without a partition, the United States' enforcement efforts were effectively nullified.

In 1974, Congress enacted Pub. L. No. 93-531, the Navajo and Hopi Land Settlement Act, to facilitate the resolution of problems created by these Navajo-Hopi land disputes. 28 Stat. 1712. The Act established a system under which the tribes,

with the assistance of a federal mediator, 3/ would negotiate a partition of the disputed lands, and created the Navajo and Hopi Indian Relocation Commission to assist in relocating members of one tribe living on land partitioned to the other tribe. The mediator's role under the Act was to assist the tribes in their negotiations, and to submit the results of such negotiations to the Secretary of the Interior and the Attorney General "for their comments as they relate to the interest[s] of the United States in the proceedings." § 640d-2(a). The partition agreement, upon review and approval by the court, was then to be entered as an enforceable order in the supplemental proceedings of the Healing case. Id. 4/ A final decree partitioning the joint use area was entered by the court in March 1979. See H.R. REP. NO. 544, 96th Cong., 1st Sess. 3 (1979). See also S. REP. NO. 373, 96th Cong., 1st Sess. 2 (1979).

3/ Section 1 of Pub. L. No. 93-531 provided for the appointment of a mediator by the Director of the Federal Mediation and Conciliation Service "to assist in the negotiations for the settlement and partition of the relative rights and interests, as determined by the decision in the case of Healing v. Jones . . . , of the Hopi and Navajo Tribes . . . to and in lands within the [1882] reservation" except for that area determined by the court to be exclusively for the use and benefit of the Hopi Tribe. 25 U.S.C. § 640d(a).

4/ In order to facilitate agreement between the tribes, § 640d-4 authorized the mediator, subject to the consent of the Secretary of the Interior, to recommend the purchase of additional lands for the benefit of either tribe, the restoration of lands lying within the joint use area, the relocation of members of one tribe from lands which may be partitioned to the other tribe in the joint use area, or "any other recommendations as are in conformity with this subchapter and the Healing case to facilitate settlement." § 640d-4(a)(5). In addition, the 1974 Act provided for tribal jurisdiction over the lands partitioned to the respective tribes (§ 640d-9(e)) and the transfer of certain lands under the jurisdiction of the Bureau of Land Management of the Department of the Interior to the Navajo Tribe (§ 640d-10), and required the Secretary to take such actions as necessary "to assure the protection, until relocation of the rights and property of individuals subject relocation pursuant to this subchapter." (§ 640d-9).

To carry out the relocation which would be necessitated by the partition agreed upon by the tribes or otherwise ordered by the court, the Act created the Navajo and Hopi Indian Relocation Commission. The Commission was established as an "independent entity in the executive branch," to be composed of three members appointed by the Secretary of the Interior. §§ 640d-11(a), (b). The Act did not specify the lengths of the Commissioners' terms, but did provide that "[t]he Commission shall cease to exist when the President determines that its functions have been fully discharged." § 640d-11(j). The Commission's functions under the Act include: 1) facilitating the transfer of land, selected by the Navajo Tribe for its use in consultation with the Commission, from under the jurisdiction of the Bureau of Land Management, (§ 640d-10 (c)); 2) reporting, in consultation with the Secretary of the Interior, to the House Committee on Interior and Insular Affairs and the Senate Select Committee on Indian Affairs, on the status of the land transfer program authorized by the Act, "making any recommendations that the Commission deems necessary to complete the land transfer program," (§ 640d-10(d)); 3) administering the lands transferred to, or otherwise acquired for the benefit of, the Navajo Tribe until relocation under the Commission's Plan is complete, (§ 640d-10(u)); 4) preparing and submitting to Congress a report "concerning [the Commission's plan, developed in consultation with the Tribes, for] the relocation of households and members thereof of each tribe, and their personal property, including livestock, from lands partitioned to the other tribe pursuant to [tribal agreement or court order]," (§§ 640d-12(a), (b), (c)); 5/ and 5) moving the tribes to the lands partitioned to them, in accordance with the relocation plan, including the provision of financial assistance, which "shall be completed by the end of five years from the date on which the relocation plan takes effect," (§ 640d-13).

5/ Section 640d-12(c)(5) provides that the Commission's plan shall take effect 90 days after submission to Congress, but that "the Commission is authorized and directed to proceed with voluntary relocations as promptly as practicable following its first meeting."

The members of the Commission were to be appointed from among existing officers or employees of the United States, or from outside the federal government; however, because Congress contemplated that the work of the Commission would not involve the full-time attention of the Commissioners, Commissioners who were otherwise employed by the United States were not to receive additional compensation. § 640-11(e). The Act provided further that the first meeting of the Commission was to be called by the Secretary, after which time the Commission would elect a Chairman and Vice-Chairman from among its members. §§ 640d-11 (c), (f). Until the Act was amended in 1980, the Department of the Interior was charged with providing the Commission, on a non-reimbursable basis, with necessary administrative and housekeeping services. See Pub. L. No.93-531, § 12(h). However, in 1980, the Act was amended to authorize the Commission to provide for its own administrative, fiscal and housekeeping services, and, if the Chairman deems it necessary, to hire "an independent legal counsel." §§ 640d-11 (g), (h). See Pub. L. No. 96-305, § 5, 94 Stat. 932. In addition, the Act authorized the Commission to "call upon any department or agency of the United States to assist the Commission in implementing the relocation plan and completing the relocation within the time required by law," and required any department or agency called upon by the Commission to provide "reasonable assistance so requested." § 640d-11(i). The failure of any agency to provide such "reasonable assistance" must be reported by the Commission to the Congress. Id.

Having reviewed this background of the Commission, and the statutory context in which it was created, we turn now to examine the questions raised in your request.

II. THE COMMISSION AS AN "EXECUTIVE AGENCY"

You have asked our opinion whether the Commission constitutes an "Executive agency" within the meaning of 5 U.S.C. § 105 and § 3132(a)(1). This question arises within the context of the Office of Personnel Management's ("OPM") consideration of the appropriateness of appointments of the Commissioners in the Senior Executive Service ("SES"). We understand from your memorandum that, at present, the three Commissioner positions are designated as SES general positions within the Department

of the Interior, with two Commissioners holding career appointments and one Commissioner holding a non-career appointment. 6/ We understand further that the Commission recently has sought career reserved designations for all three SES positions occupied by its Commissioners.

Section 3132(a)(1) provides, in pertinent part, that for purposes of the subchapter dealing with the Senior Executive Service, "agency means an Executive agency . . . ." Section 105 defines "Executive agency" as "an Executive department, a Government Corporation, and an independent establishment." The Commission properly does not claim to be either an Executive department 7/ or a Government Corporation; 8/ rather, the Commission

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6/ Prior to the establishment of the SES by the Civil Service Reform Act of 1978, see 5 U.S.C. §§ 3131 et. seq., the Commissioners served in statutorily excepted positions and were compensated in "an amount equal to the daily rate paid a GS-18 under the General Schedule contained in [5 U.S.C. § 5332] for each day . . . during which such member is engaged in the actual performance of his duties as a member of the Commission." 25 U.S.C. § 640d-11(e).

7/ Section 101 lists the Executive departments as follows:

The Department of State.
The Department of the Treasury.
The Department of Defense.
The Department of Justice.
The Department of the Interior.
The Department of Agriculture.
The Department of Commerce.
The Department of Labor.
The Department of Health and Human Services.
The Department of Housing and Urban Development.
The Department of Transportation.
The Department of Energy.
The Department of Education.

8/ Section 103 defines a "Government Corporation" as "a corporation owned or controlled by the Government of the United States;" the term "Government controlled corporation" does not include a corporation owned by the Government of the United States.

claims to be an "independent establishment" for purposes of § 105. Section 104 defines an "independent establishment" as

> (1) an establishment in the executive branch (other than the United States Postal Service or the Postal Rate Commission) which is not an Executive department, military department, Government corporation, or part thereof, or part of an independent establishment; and
> (2) the General Accounting Office.

(Emphasis added). The Historical and Revision Notes to § 104 provide that:

> Certain agencies are not independent establishments under the definition since they are constituent agencies or parts of an independent establishment. However, these agencies would continue to be subject to the provisions of this title applicable to the independent establishment of which they are a constitutent or part.

(Emphasis added).

In August, 1979, the Commission was advised by OPM that notwithstanding its statutory designation as "an independent entity in the executive branch," Congress, by failing to use the "customary statutory language 'executive agency' or 'independent agency in the executive branch,'" had not intended to grant the Commission independent standing to come under the executive agency coverage of § 105, which is a prerequisite for acquiring separate SES coverage under § 3132. Letter from Associate Director, Executive Personnel and Management Development, OPM, to Executive Director, Navajo and Hopi Indian Relocation Commission (August 15, 1979). In addition, OPM considered Congress's having vested the Commissioners' appointments in the Secretary of the Interior as indicative of its intention to vest in the Secretary "a degree of control . . . over these positions with reference to their status for SES purposes." Id. While we generally defer, in the absence of strong reasons not to do so to an agency such as OPM's consistent view that "Executive agency" status, for SES purposes, generally attaches only to those government entities specifically so designated by Congress, we believe that the second factor relied upon by OPM in concluding that the Commission is not an Executive agency for proposed § 105 is most persuasive.

There can be no doubt that the Commissioners, "exercising significant authority pursuant to the laws of the United States," are "Officers of the United States," and as such, must be appointed in the manner prescribed by Art. II, § 2, cl. 2. Buckley v. Valeo, 424 U.S. 1, 126 (1976). As described above, the Commissioners' primary statutory function is to transfer land from the Bureau of Land Management to the Navajo Tribe and to relocate tribal members to lands partitioned to them pursuant to court order in the Healing case. Art. II, § 2, cl. 2 provides for the "nominat[ion,] and by and with the Advice and Consent of the Senate, [the] appoint[ment of] Ambassadors, other public Ministers and Consuls, Judges of the Supreme Court, and all other Officers of the United States, whose Appointments are not herein otherwise provided for . . ." by the President, and for the "Appointment of such inferior Officers, as [Congress] think[s] proper, in the President alone, in the Courts of law, or in the Heads of Departments." Thus, the Commissioners, who under Buckley must be "Officers of the United States," have been appointed by the Secretary of the Interior, a head of a department, and are inferior officers.

The term "inferior officers" has been construed to refer to officers "subordinate or inferior to those officers in whom respectively the power of apointment may be vested--the President, the courts of law, the heads of departments." Collins v. United States, 14 Ct. Cl. 568, 574 (1878). Moreover, the power to appoint inferior officers "was no doubt intended to be exercised by the department of the government to which the officers to be appointed most appropriately belonged." Id. at 575, quoting Ex parte Hennen, 38 U.S. (13 Pet.) 258 (1839). We believe that it would be impermissible for a constitutionally "inferior officer," appointed by a head of a department to which he is necessarily subordinate, to himself or herself head a department which is independent of--or otherwise not subordinate to--the department headed by the appointing official. The Supreme Court distinguished departments from inferior offices by noting that the former are "subdivision[s] of the power of the Executive [created] for the more convenient exercise of that power," while the latter are occupied by "inferior commissioners and bureau officers, who are themselves the mere aids and subordinates of the heads of the departments." United States v. Germain, 99 U.S. 508, 510-11 (1879). See also 37 Op. A.G. 227 (1933). Thus, it seems clear to us that an official may not constitutionally be both an inferior officer and the head of a department.

This view is consistent with a legal opinion expressed in 1970 by this Office in its comments on a bill to vest the authority to appoint the Director General and the Deputy Director

General of the United States Postal Service Authority in the Authority's Executive Council. See "Problems Presented by the Methods of Appointment of Members to the Executive Council of the United States Postal Service" (Feb. 9, 1970). See also Memorandum from Assistant Attorney General Rehnquist to Director Mayo, Bureau of the Budget (May 23, 1969). The Council, which consisted of seven members appointed by the President with the advice and consent of the Senate, would have constituted the constitutional "department head" for the Authority. In addition, however, the bill provided that the Director General and the Deputy Director General, inferior officers appointed by the Council, were also to be members of the Council. In effect, the bill contemplated the vesting of inferior officers with the status of department heads. This Office concluded that because the Director General and his Deputy, by serving on the Council, would function as department heads, they were not inferior officers in the constitutional sense, and therefore could only be appointed by the President, with the advice and consent of the Senate. The significance of this conclusion, for present purposes, is that because heads of Executive departments may only be appointed by the President, with the advice and consent of the Senate, the members of the Navajo and Hopi Indian Relocation Commission, having been appointed by the Secretary of the Interior, cannot, in any constitutional sense, be said to be heads of a department. It follows that the Commission, headed by inferior officers who are subordinate to their appointing official, cannot, in any legal sense, be considered to be sufficiently independent of the Secretary of the Interior as to constitute an "independent establishment" within the meaning of §§ 104 and 105.

Although this analysis may be inconsistent with some statements in the legislative history of the 1974 Act establishing the Commission and the 1980 amendments, 9/ we believe that consideration of all relevant factors, including the constitutional

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9/ See, e.g., 126 CONG. REC. 16824 (June 25, 1980)(the bill "grants additional tools to the Relocation Commission and underscores Congress'[s] intent that this Commission be, and be treated as a truly independent body, not subject to the indirect control of Interior as has occurred in the past."). S. REP. NO. 373, 96th Cong., 1st Sess. 6 (1979)("The Commission is also authorized [by the 1980 amendments] to employ its own legal counsel. [Although] [t]he need for independent counsel is not immediately apparent[,] . . . it is apparent that conflicts of interest could develop between the Department of the Interior and the Commission that would necessitate independent counsel."); S. REP. NO. 1177, 93d Cong., 2d Sess. 21 (1974)("It is hoped that the independent nature and focused responsibilities of the Commission will insure that the settlement implementing authority will be sufficiently expert and possess all the requisite authority to develop a relocation program which will minimize the inevitable adverse social, economic and cultural impacts.").

analysis discussed above, provides strong support for finding a congressional intent to establish the Commission within the Department of the Interior, rather than as an independent establishment. These factors include: 1) the initial vesting of responsibility for the Commission's administrative, fiscal and housekeeping services in the Department of the Interior (§ 12(h), Pub. L. No. 93-531); 2) the charging of the Secretary of the Interior with the responsibility of calling the Commission's first meeting (§ 640d-11(f)); and 3) the requirement that the Commission report to the House Committee on Interior and Insular Affairs and the Senate Select Committee on Indian Affairs on the progress of the land transfer program "in consultation with the Secretary" (§ 640d-10(d)). However, the most significant factor which we believe supports our view that Congress intended to establish the Commission within the Department of the Interior rather than as an independent agency headed by constitutional officers is the method chosen by Congress of appointing the Commission's members. By vesting their appointment authority in the Secretary of the Interior, Congress chose to establish the Commission's members as constitutionally inferior officers--a status which we believe precludes the members from serving simultaneously as heads of a department which is independent of the Department of the Interior.

III. THE REMOVABILITY OF THE COMMISSIONERS

You have also asked this Office to consider the removability of the Commission's members--by whom, and under what standard, the Commissioners may be removed from office. The general rule governing the removal of officers of the United States is that in the absence of any constitutional or statutory constraints, the power of removal is vested in the appointing official. In re Hennen, 38 U.S. (13 Pet.) at 259-60:

> All offices, the tenure of which is not fixed by the Constitution or limited by law, must be held either during good behaviour, or (which is the same thing in contemplation of law) during the life of the incumbent; or must be held at the will and discretion of some department of the government, and subject to removal at pleasure.
>
> It cannot, for a moment, be admitted, that it was the intention of the Constitution, that those offices which are denominated inferior offices should be held during life. And if removable at pleasure, by whom is such removal to be made. In the absence of all constitutional provision, or statutory regulation, it would seem to be a sound and necessary rule, to consider the power of removal as incident to the power of appointment.

* * *

> And the Constitution has authorized Congress, in certain cases, to vest this power in the President alone, in the Courts of law, or in the heads of departments; and all inferior officers appointed under each, by authority of law, must hold their office at the discretion of the appointing power. Such is the settled usage and practical construction of the Constitution and laws, under which these offices are held.

Id.

Thus, in view of our conclusion above that the members of the Navajo and Hopi Indian Relocation Commission are inferior officers of the United States performing purely executive functions, we believe that, in the absence of any statutory limitations on the Secretary of the Interior's power of removal respecting his appointees, the Commissioners serve at the pleasure of the Secretary.

This conclusion is consistent with that reached by the court of appeals in Kalaris v. Donovan, 697 F.2d 376 (D. C. Cir.), cert. denied, 103 S. Ct. 3088 (1983), in which it held that the Secretary of Labor's power to remove members of the Department of Labor's Benefits Review Board was incident to his power to appoint the members. The court's decision was based on several factors which are also applicable to our analysis regarding the Navajo and Hopi Indian Relocation Commission. First, neither the Benefits Review Board nor the Commission, in contrast to the Federal Trade Commission and the War Claims Commission which were at issue in Humphrey's Executor v. United States, 295 U.S. 602 (1935), and Wiener v. United States, 357 U.S. 349 (1958), perform any "quasi-legislative" or "quasi-judicial" tasks which Congress could conclude necessitated that they be performed independently of executive control. See 697 F.2d at 394-95. Thus, although Congress was silent on the issue of the Relocation Commissioners' removal, in view of the purely executive functions with which Congress charged the Commission, it seems clear to us that the Commissioners, as a constitutional matter, may be held accountable to, and removable by, the President or his subordinate, the Secretary of the Interior. Second, the members of neither the Benefits Review Board nor the Relocation Commission, in contrast to

the members of the Federal Trade Commission and the War Claims Commission, had statutorily fixed terms of office--a factor which the Kalaris court concluded supported its view that the Board members served at the pleasure of their appointing official, the Secretary of Labor. See 697 F.2d at 395. Third, unlike the Federal Trade Commission and the War Claims Commission which "were placed outside the Executive Branch, as separate, independent tribunals," id., the Relocation Commission, like the Benefits Review Board, 10/ was created as an "independent entity within the Executive Branch." 25 U.S. S 640d-11 (emphasis added). Although Congress did provide that the Commission was to be an "independent entity," as was the case with the Benefits Review Board, Congress vested the authority to appoint its members in the head of an Executive department to which they are subordinate, and, when the Commission was first established, vested administrative responsibility for its "day-to-day operations" in the department headed by the appointing official. See id. Finally, and most significantly, the Kalaris court relied upon the Board members' status as inferior officers in concluding that they were removable at the discretion of their appointing official.

> [B]oth the [Federal Trade Commission] and the [War Claims Commission] members were made officers of the United States, appointed by the President with the advice and consent of the Senate. 295 U.S. at 260; 357 U.S. at 350. Board members, by contrast, are inferior officers of the United States, appointed by the Secretary of Labor. Had Congress wished to give Board members something more than the "lesser dignity" of officials appointed and removable at the discretion of the respective heads of their departments, it could have said so explicitly. But it chose to remain silent.

10/ Although, unlike the Benefits Review Board which was established "within the Department of Labor as an internal administrative appellate review board," 697 F.2d at 395, Congress did not specify whether it intended the Commission to be established within the Department of the Interior.

* * *

> [I]n the absence of a congressional statement to the contrary, inferior officers such as those on the Board serve indefinite terms at the discretion of their appointing officers.

697 F.2d at 396-97 (footnotes omitted).

All of these factors, when considered together, persuade us that Congress intended the members of the Navajo and Hopi Indian Relocation Commission to serve at the pleasure of the Secretary of the Interior, their appointing official.

IV. CONCLUSION

Notwithstanding Congress's establishment of the Commission as an "independent entity in the executive branch," we believe that the other indicia which Congress ascribed to the Commission, particularly the method of appointing its members, support the conclusion that it was intended to be a part of the Department of the Interior. Thus, we believe that the question of the allotment of SES positions for the Commissioners is properly within the jurisdiction of the Secretary. In addition, we have concluded that because the terms of the Commissioners' office are not statutorily fixed, and, because the Commissioners perform purely executive functions, the Commissioners' removal from office is within the discretion of the Secretary of the Interior.

Larry L. Simms
Deputy Assistant Attorney General
Office of Legal Counsel

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SECRETARY LUJAN'S LETTER

Mr. YATES. Now that you have the Secretary's letter, what are you going to do about it?

Mr. ATKINSON. We are going to follow his instructions, sir.

Mr. YATES. Can you follow his instructions? You don't have housing. How are you going to expedite it? Doesn't he want you to expedite the move from the HPL?

Mr. ATKINSON. Yes, he does.

Mr. YATES. Do you have houses for your expedited relocation?

Mr. ATKINSON. Our interpretation of the Secretary's instructions and directions are not that we are to move anyone from the HPL without having a house to move them to.

Mr. YATES. What changes do you plan to make? I am afraid you are moving these people into what might become another slum if you don't have houses for them. I don't think you want that to happen.

Mr. ATKINSON. That is not our interpretation of it at all.

Mr. YATES. Are you going to make any changes in your relocation counseling or processing priorities as a result of the Secretary's letter?

Mr. ATKINSON. Yes, we are. With your permission, sir, I will ask the Executive Director to comment directly.

ORGANIZATIONAL IMPACT

Mr. BAVASI. Mr. Chairman, when we received the letter, we stopped contracting with anyone other than HPL residents. When we did that, we had approximately 47 people under contract, and we are now focusing our complete attention on HPL residents. We will go out and make personal contact and try to encourage people to select home sites that they want to go to.

Mr. YATES. Is this going to slow down your relocation?

Mr. BAVASI. We will do it as quickly as possible. We can comply with the Secretary's request, but there is no question it will change our operation and probably slow it down.

Mr. YATES. How many are you processing now?

Mr. BAVASI. We currently have 47 under contract, and 144 seeking help. These are clients who have gone through the counseling process and are looking for homes and contractors to build them.

The problem is that there are only 14 full-time residents of the HPL, among the 144 seeking help. Normally, we would sign about 16 or more contracts each month and we are signing about 6 per month now.

GROUP MOVES

Mr. YATES. How does it affect group moves?

Mr. BAVASI. The group move policy allowed us to move, for instance, one HPL resident with—I think the average is four or five non-HPL residents. We would like to continue the group move concept, but we can only do it with those people currently under contract or who are residents of the HPL.

Mr. YATES. As I understand the group move, it was to keep families that are closely knit together.

Mr. BAVASI. That is one of the reasons for that.

Mr. YATES. If this upsets that, then it upsets one of the reasons for having a non-hostile kind of an operation, doesn't it?

Mr. BAVASI. Mr. Chairman, the priority of the Commission for a number of years has been the movement of HPL residents, so that portion——

Mr. YATES. You combined that with non-HPL because of the group concept?

Mr. BAVASI. Yes.

Mr. YATES. Are you going to change that now?

Mr. BAVASI. Under our instruction, yes, we will concentrate strictly on HPL residents. We can still have some group moves because close-knit families in some cases are on HPL.

However, there are other reasons why the group moves have been effective in terms of people living off HPL, to give economic support to those on HPL.

EMERGENCY MOVES

Mr. YATES. How are emergency moves being handled?

Mr. BAVASI. Emergency moves now are only for people who are on HPL, so the emergency moves would not be adversely impacted. However, we have emergency processing for people who are off the HPL. If they are in dire straits and want to move, we will process them rapidly.

Mr. YATES. Of the families awaiting relocation, how many do you have? Mr. Atkinson has said that you do not relocate a family unless there is a home to which they can go.

Mr. ATKINSON. Yes, sir.

Mr. YATES. Are there any families which are awaiting relocation for which you don't have homes?

Mr. BAVASI. Yes, sir.

Mr. YATES. How many are there?

Mr. BAVASI. We have 900 families yet to be relocated.

Mr. YATES. You need another 900 homes for them?

Mr. BAVASI. Plus the ones under appeal so there may be as many as 1,200, but we don't build a home for someone unless they tell us where they want to go.

PROGRAM COMPLETION

Mr. YATES. How long is that going to take?

Mr. BAVASI. Under the best of circumstances, we have predicted 1993 although we think it is going to fall back because of the Sands decision and perhaps because of no longer being involved to the extent we have been.

Mr. YATES. Fall back how long? What is your best guess how much further this will take you into the future?

Mr. BAVASI. The appeals alone, at least another year and one year after that; 1993 to 1995.

Mr. YATES. How many families are living in substandard housing?

Mr. ATKINSON. The people that are living in substandard housing would be those who simply left the HPL and moved into the periphery or into other towns and the Navajo reservation.

We are trying to take care of them as best we can, but how many would you think are living in substandard housing? I know we have a problem in the cities.

Mr. BAVASI. Many.

Mr. YATES. Do you take a census of them? When are these people becoming eligible to move into good housing?

Mr. BAVASI. That is a relative question in terms of what you consider substandard.

Mr. YATES. Is there any question but that the housing in Tuba City is substandard?

Mr. BAVASI. Very few that are awaiting relocation that are on reservation are in what we would consider a standard home. People off reservation waiting for relocation in many cases probably have a standard home.

Mr. ATKINSON. I don't think we came fully prepared to answer that. At your direction, we took a complete census and we know where everybody is and can submit that to you.

Mr. YATES. That is fine. We would like to know that.

[CLERK'S NOTE.--A report has been provided and is retained in the Committee's files.]

HOMELESS CLIENTS

Mr. BITSUIE. Mr. Chairman, I am Roman Bitsuie, Executive Director for the Navajo-Hopi Commission Office.

We have done an enumeration in October of 1989 in which we found up to 900 families that are still awaiting relocation some of which——

Mr. YATES. On HPL?

Mr. BITSUIE. Mr. Chairman, 340 of them are on HPL, but the balance of them are awaiting relocation on the Navajo reservation.

Mr. YATES. Some of these are in Tuba City?

Mr. BITSUIE. These include Tuba City, but of that amount, we found that 38 percent, or approximately 322 families, are homeless.

Mr. YATES. Are homeless? Where are they living?

Mr. BITSUIE. They are living with relatives or they might be living in RV parks or in their automobiles or just some sort of thing that they can go from one place to another. Some of them are on the New Lands.

Mr. YATES. What are the major reasons for not moving HPL residents faster? Is there a reason for you not moving them faster? Is it lack of funds? Could you move them faster? Anybody want to answer?

Mr. ATKINSON. Yes, Mr. Chairman. Last year, we could have moved more people from the HPL if we had had more appropriation than the years before. At the present time, I don't think that——

SUFFICIENCY OF APPROPRIATIONS

Mr. YATES. Is there a relationship between appropriations, lack of appropriations, and your speed of moving them off?

Mr. ATKINSON. I believe there is, Mr. Yates. There has to be a resolve, too, that we are going to do this.

You know, each time the law has been changed and each time that there has been a public difference of opinion between the Congress and the Administration, that has slowed down relocation.

Mr. YATES. How many times has that occurred? There haven't been many differences of opinion between us, have there, except maybe the amount of money? We try to give you more money than they want to.

Mr. ATKINSON. I think that sometimes you have been more generous.

Mr. YATES. I don't think there is any doubt about that. The question is, is this the only reason? What holds it up? Are people not ready to move or afraid to move? What is it?

Mr. ATKINSON. Well, we haven't had the New Lands—we haven't had them fully developed. We haven't had all the range sites developed yet and those things are due to a lack of appropriation.

We have just discussed the $5 million that was cut out that would have gone into roads and made the lands and the home sites and the ranch sites available.

Mr. YATES. Of course, we gave you money for roads last year, extra money.

Mr. ATKINSON. You did and we used it very judiciously and wisely. We have taken the rural community and, to the best of my knowledge, we have paved all the roads in there so that relocatee families living there would have some of the amenities that are extended to those living in——

Mr. YATES. Well, that is helpful. Are you going to reach a point where you run out of HPL residents who are ready to move?

CHANGES IN THE LAW

Mr. ATKINSON. You know, may I digress to this? We talk about changes in the law. As you are well aware, Mr. Yates, this is the last time I am sure that we will be here because the law has been changed. Public Law 100–66 is just simply waiting to be fully implemented by the appointment of a successor to the three commissioners.

At the present time, to the best of our knowledge, the Senate hearing will be on May 21 and probably they will either suspend their rules and confirm the day of the hearing or no longer than three days after.

This has made a bit of a problem in that this law went into effect at the beginning of 1989, and we have been sort of an interim housekeeper during that period.

We thought—the three of us thought we would be gone the last time we appeared before you. We said we regret we will probably never see you again in the capacity of commissioners, but through circumstances far beyond our control——

Mr. YATES. We are both luckier, aren't we?

Mr. ATKINSON. I think perhaps we were lucky to have you as our appropriation committee chairman.

RESISTORS

Mr. YATES. I meant seeing each other again.

You will reach such a point where you run out of HPL residents who are ready to move.

When do you estimate that might happen? Are these the ones who intend to stay there? What happened to the ones who said they would never move?

Mr. ATKINSON. They are still there. We only have an estimate of what we feel—there are probably 30 to 50 families. It may be as high as 60, but in their determination not to move, we really haven't had all that much contact with them.

Our estimates are based on——

Mr. YATES. How many other than those are there on the HPL lands?

Mr. ATKINSON. About 137 right now that have committed to relocate.

Mr. YATES. When are you going to be able to move them?

Mr. ATKINSON. We stand ready to move them at any time that they select a site.

Mr. YATES. When are they going to select a site?

Mr. ATKINSON. I can't answer that.

Mr. YATES. Can anybody answer that?

Mr. ATKINSON. No, sir. I don't think anybody could answer. The site selection is strictly their own business and their own affair and when they are ready to select a site, they let us know.

Mr. Yates, the executive——

POLICY ON EVICTION

Mr. YATES. I have a letter from the American Anthropological Association. They have a Navajo-Hopi new development—they say in late November, the Justice Department demanded that your Commission notify Navajo residents on the HPL of the intention to move them. In cases of families that fail to make arrangements for relocation, the Commission may offer suitable housing to the potential relocatee.

If, after 90 days, the relocatee has not acted, he/she may be given a 30-day notice, and after that, the Commission shall identify said relocatee to the United States Attorney for appropriate action.

This interpretation is supported by comments made by Judge Carroll in the Manybeads case. Where does this lead you then?

Mr. ATKINSON. To the best of my knowledge, the Secretary of Interior has never directed us to implement——

Mr. YATES. To go for eviction?

Mr. ATKINSON. No.

Mr. YATES. You don't evict anybody?

Mr. ATKINSON. No, sir. It has never been our intent to evict anyone. We are waiting for the Secretary to give directions, but you know, Mr. Yates, we are not going to be here a month from now.

Mr. YATES. Where are you going to be?

Mr. ATKINSON. We are going to be care-free citizens who have been relieved of this work; lame ducks.

We are hoping that because of the rules and regulations of the Federal Government, that things will work out.

NEW COMMISSIONER

Mr. YATES. Do you have a Commissioner to replace you?

Mr. ATKINSON. Yes, sir. Mr. Carl Kunasek has been nominated by President Bush to be the sole commissioner of the new entity created under Public Law 100-66. His confirmation hearing is May 21, and we understand that the Senate is going to give some priority to this and will confirm him in no less than 3 days after the hearing.

NAVAJOS REMAINING ON THE HPL

Mr. YATES. Do you have estimated the total number of Navajos who are living on the HPL?

Mr. ATKINSON. I would say we estimate that there are approximately 200 or less heads of household and that that would equate to approximately 900 people—900 Navajos who are living there.

Mr. YATES. How many of these have not applied for benefits?

Mr. ATKINSON. We estimate again that there are probably 30 to 50 that haven't applied for benefits.

Am I correct in that figure?

Mr. BAVASI. Yes.

Mr. YATES. How many have already received benefits?

Mr. ATKINSON. We have, I think, 1,600.

Mr. BAVASI. Eighteen hundred.

Mr. YATES. Any of them go back to the HPL?

Mr. ATKINSON. No. Once they have relocated off the HPL and we have given them their benefits, they have been provided by the law not to come back there.

Mr. YATES. Are you sure of that?

Mr. ATKINSON. No, sir. I am not sure of anything. I am just giving you what I hope is my best judgment and that of my colleagues.

Mr. YATES. How many of them have been denied benefits, but still stay on the HPL?

Mr. ATKINSON. That have stayed on there?

Mr. YATES. Yes.

Mr. ATKINSON. Mr. Yates, I don't think I can answer that. Can you answer that?

Mr. BAVASI. Those that have been denied and stayed—I can't answer that.

I can attempt to get that for you.

[The information follows:]

The Commission does not maintain data on denied clients. The Commission maintains active files only on these individuals who are certified for benefits. Therefore, we are not in a position to provide the Committee with residential locations for individuals who have been denied benefits.

Mr. YATES. Whose responsibility is it to deal with those people?

Mr. ATKINSON. Well, sir, there comes a time when all of the voluntary relocation has been done and the new agency and the Congress and the Administration will have a problem. I don't mean to forget the courts.

RELOCATIONS TO THE NEW LANDS

Mr. YATES. How many families currently are waiting to be relocated to the New Lands?

Mr. ATKINSON. I can't give you the exact number. Can you, Mr. Bavasi?

Mr. BAVASI. We have 900 families to still be relocated, Mr. Chairman.

Mr. YATES. From the HPL?

Mr. BAVASI. No. There are 158 families certified eligible on the HPL. Currently 9 are having homes constructed and 16 are searching for home sites.

[CLERK'S NOTE.—Following the hearing, the committee was informed that the correct number of families certified eligible on the HPL was 137.]

Mr. YATES. How many HPL residents have been relocated?

Mr. BAVASI. I believe 147.

[CLERK'S NOTE.—The 147 number does not include moves before October 1987.]

Mr. YATES. How many grazing home sites have been occupied on the New Lands?

Mr. BAVASI. Twenty-nine.

Mr. YATES. How many additional grazing sites are available now?

Mr. BAVASI. There are 98 people who have gone to range units and 49 to the rural community for a total of 147.

Mr. YATES. This is the New Lands?

Mr. BAVASI. Yes.

Mr. YATES. How many additional grazing sites are available now?

Mr. BAVASI. There are three range units available now for a total of 22 grazing permits. In 1991, we expect to have 6 more range units with 34 grazing permits. In 1992, we expect to have 3 additional range units with 22 additional grazing permits.

PROBLEMS MOVING PEOPLE TO THE NEW LANDS

Mr. YATES. Are you having any problems relocating families to the range clusters?

Mr. BAVASI. Technical problems?

Mr. YATES. Any problems?

Mr. BAVASI. We are not having technical problems. You may be referring to some of the people who are currently there that would like us to leave spots open for extended family members, so we are getting some resistance from members who are currently living there hoping there will be more space available so their extended families can move down later, whether or not they are certified.

Mr. YATES. Is the Navajo tribe helping you solve these problems?

Mr. BAVASI. To a great degree, yes.

Mr. YATES. How much room will you have on New Lands to accommodate additions to the families?

Mr. BAVASI. We have room on the new lands to accommodate new additions. It would be very helpful if those people would move quickly.

The problem we see is that many of the people who would like to move there are not certified eligible and that causes a problem until we get all the certified eligible people located there.

TRUST FUND

Mr. YATES. How have you coordinated with the Navajo on their proposals to use $800,000 appropriated for the Navajo Rehabilitation Trust Fund?

Mr. BAVASI. We have worked very, very closely with them and I think we are in complete agreement in terms of what the money should be used for.

Mr. YATES. Can you furnish the committee with a memorandum on that agreement?

Mr. BAVASI. Yes, sir.

[The information follows:]

The Relocation Commission has not entered into a formal memorandum of agreement with the Navajo Tribe in regards to our cooperation and supplementing of their funding for the $800,000 appropriated in fiscal year 1990. The Commission will within the next two weeks, however, submit a reprogramming request for fiscal year 1990 which will include the funds which it intends to match against expenditures from the Rehabilitation Trust Fund. Additionally, it is our understanding that the Tribe has submitted a conceptual plan for the spending of the $800,000 during fiscal year 1990 and the Commission has supported their plan in its entirety.

SCHOOLS

Mr. YATES. What about schools and health care?

What about coordinating with BIA and IHS on schools and health care on the New Lands?

Mr. BAVASI. We have worked very closely in developing schools. We funded a cafeteria-style building and worked to withdraw a parcel of property for a new high school which is going to be built there shortly.

Mr. YATES. The BIA was engaged in a building program. Did BIA withdraw from that?

Mr. ATKINSON. They did.

Mr. YATES. How come?

Mr. ATKINSON. It would be my opinion they felt we could do the job better because we were in the relocation business and they were very gracious, turned over their assets to us and we have continued to do it for them.

ROADS

Mr. YATES. Is there any reason why road construction funds are not requested in your budget? The Committee wanted you to do it. Why did you not do it?

Mr. MCALISTER. We made a request to OMB at the Committee's instructions, and our passback eliminated those funds. We were directed not to request those moneys of the Congress.

Mr. YATES. What amount of funding do you need for the roads on the New Lands?

Mr. MCALISTER. In 1991, it was $4.5 million. I will check that.

[The information follows:]

The Commission's OMB submission for fiscal year 1991 included $7,200,000 for the funding of construction of roads on the New Lands. The Administration felt that

this money should be obtained by earmarking Navajo Tribal Highway Trust Funds specifically for this project, and therefore, instructed the Commission not to request this funding. It should be reiterated at this point, that the Commission feels strongly that unless the money flows to the Commission so that it can be allocated to the Bureau under memorandum of agreement, that the 638 process for archaeology clearances on the reservation will severely impede the Commission's ability to remain on schedule with the development of the New Lands.

Mr. YATES. Does the estimate include the cost of archeological clearances?

Mr. MCALISTER. All of the associated costs in the past have been included in that number because we entered into a memorandum of agreement with the BIA and they did road construction and the archeological work.

In 1991, the Navajo tribe, under the 638 process, has opted to take over the archeological work all over the reservation. They inform us that they are not sure how quickly their archeological department will be geared up.

Therefore, the money will be subject to the 638 process if it goes to the BIA directly. It is essential that the funds be appropriated to the Commission so we can enter a MOA for construction.

The only way to expedite is for the money to come to the Commission and be transferred to the Bureau.

ARCHEOLOGICAL WORK

Mr. YATES. You are spending $1,800,000 for archeological work this fiscal year.

Mr. MCALISTER. The vast majority of that is preliminary work necessary for the grazing sites. On the schedule by 1993, full development will have taken place. Sequentially, most of the archeological work will be done this year.

NEW LANDS WATER SYSTEM MAINTENANCE

Mr. YATES. Who is maintaining the water system on the New Lands? Is it your office?

Mr. MCALISTER. It has been the Bureau of Indian Affairs. We just entered into, or are about to enter into, an agreement with the Navajo Utility Authority to maintain it.

There is a slight problem in that there had been no charge for water for the first two years on the Bureau's Relocation program and we received a great deal of objection from residents with regard to the pending charge for water. The NTUA will not come into an area as the system operator until invited so we are subcontracting to NTUA. They would not become the operator until the local chapter invites them to do so.

Mr. YATES. How good is the water?

Mr. ATKINSON. The culinary water is excellent. There is still question perhaps on other waters down near the river bottom.

ENGELHARD LEASE

Mr. YATES. What is happening to the Engelhard claim? The Engelhard Corporation apparently is claiming an interest or a lien on some of the land.

Mr. MCALISTER. We are working with the Bureau of Land Management in Phoenix to attempt to clarify the extent of that claim

and to work out some sort of an exchange, dealing with the State Mine Office in conjunction with BLM.

Apparently, at the time the BLM acquired the property they were not made aware of the subsurface leases. There doesn't seem to be a lot of concern that there can't be an exchange worked out.

Mr. YATES. You are building houses——

Mr. MCALISTER. There was no notification that there were subsurface rights. We haven't felt the need for an individual court action.

Mr. YATES. What kind of liens do they claim?

Mr. MCALISTER. It is a subsurface lease right that they obtained through the railroad. The issue is not as critical as it would appear because they would have to demonstrate that there is feasibility of extraction of a valuable mineral from that area. At this time, we are being told that it is not a major concern.

Mr. YATES. Who is telling you that?

Mr. MCALISTER. The BLM and the State Mine Office. There is an actual claim, but it would be very difficult for them to prove it apparently.

Mr. YATES. Doesn't that lien go into the title?

Mr. MCALISTER. This is the question we asked. We went through the normal Bureau withdrawal processes. They apparently were not made aware by BLM when the land was acquired. Nobody is claiming responsibility.

Mr. YATES. Shouldn't somebody try to quiet title?

Mr. MCALISTER. That is what is going on, trying to find land to exchange for the subsurface rights. Title to the surface is not in question. It is subsurface rights.

Mr. YATES. Does that mean they can come out to a householder's property and start digging in the backyard?

Mr. MCALISTER. No. They would be responsible for offsetting any expense to the landholders, for instance, if they wanted to demolish homes to extract underneath, et cetera. So the viability of the claim of the Engelhard Company is less than of major concern.

Mr. YATES. They are giving you notice—here is a letter from John Peters, Assistant General Counsel to Mr. Tim Varner. You have a copy of that, I am sure.

Mr. MCALISTER. Yes, sir.

Mr. YATES. This map shows a clear overlap, and Engelhard requests you to immediately cease any further construction or development of these properties.

Mr. MCALISTER. We responded and politely declined and told them we were in the process of clarifying the issue and we have not heard back.

Mr. YATES. Have you submitted that to the Justice Department?

Mr. MCALISTER. Not yet; no.

Mr. YATES. Should you not?

Mr. MCALISTER. We don't feel we have reached the point where it is necessary.

Mr. YATES. You ought to find out how valid the claim is before you swap land.

Mr. MCALISTER. The lease is valid. The BLM did not obtain the subsurface rights to a couple of these sections at the time that the land exchange was made so there is no doubt that Engelhard holds a lease that they have bought from the railroad.

By the way, the railroad is involved in the negotiations, too. The issue is whether or not that claim has any monetary value and we have a leaseholder here who sees there may be some opportunity to extract something from the Government, and we are being told that there isn't sufficient claim there for them to ever be able to offset the expense of extracting.

Mr. YATES. I would ship that to the Justice Department.

Mr. ATKINSON. We will notify the Justice Department of the matter and send a copy of the letter to you.

[The information follows:]

The Commission is still gathering information from the BLM and other involved parties prior to preparing a formal notification to the Justice Department of the existence of this problem. At such time as sufficient information has been gathered and the letter is written, the Commission will provide the Committee with a copy of the letter.

PARAGON RANCH

Mr. YATES. What is the status of the coal resources on the Paragon Ranch?

Mr. ATKINSON. I don't think there has been any further development on it since we have obtained the Paragon resources for the Navajo tribe. Maybe Mr. Bitsuie could speak to that.

Mr. BITSUIE. Mr. Haskie has appointed a negotiation team to negotiate on the lease applications that are pending. There are 12 of them pending on the Paragon selection and we have communicated with Southern Bell Mining Company.

We have exchanged proposals and since then, Southern Bell has pretty much left it up to Archie Minerals, another subsidiary, so we have forwarded those proposals to Archie and we are in negotiations there.

Mr. YATES. What is the situation on grazing? Are your people grazing on the land?

Mr. BITSUIE. No. The grazing is still under the Public Service Company of New Mexico. There is an offer in the amount of $300,000 to purchase the grazing leases, not only on the selected land, but the balance of the Paragon Resources Ranch.

The resources ranch itself is 87,600 acres so we are in the process of purchasing the whole ranch, including the Paragon Resources Ranch, to select the land.

The land status is complicated because there are about nine different types of lands there, fee lands, tribal lands, 40183 lands, 2198 lands, pin allotments, and grazing allotments overlapping so it is very complicated.

Mr. YATES. Good luck.

Mr. MCALISTER. The road construction figure you asked for was $7.2 million for 1991.

TUBA CITY

Mr. YATES. What progress is being made on the Tuba City Development Project?

Mr. BAVASI. Mr. Chairman, we now have a commitment for 280 lot subdivisions of which we are guaranteed 140 of those lots.

We are in the first phase of that, and we will have 25 lots in the first phase.

Mr. YATES. How many lots will be available for the relocatees in the Tuba City Subdivision?

Mr. MCALISTER. Ultimately 140.

Mr. YATES. When will they be available?

Mr. BAVASI. The first phase should be available within the next year.

Mr. YATES. How many lots are going to be developed in total?

Mr. BAVASI. Two hundred eighty.

Mr. YATES. Will the Secretary's letter change your plans for Tuba City?

Mr. BAVASI. It will not change our plan, but it will not allow us to move as many people as we had anticipated there initially.

In other words, our plans are to continue to develop the subdivision, but until we move all the people off the HPL, under the policy, we will not be able to move all of the people to Tuba City that we had intended.

Mr. YATES. Does that mean you are not going ahead with Tuba City?

Mr. BAVASI. We are going ahead with Tuba City.

RELIGIOUS SITES

Mr. YATES. Any problems still with the Navajo religious sites?

Mr. ATKINSON. Mr. Bavasi, would you comment? Are we having a problem with religious sites?

Mr. BAVASI. From our perspective, we are not, Mr. Chairman.

Mr. YATES. What about the Navajo perspective? Mr. Bitsuie or Mr. Haskie, are there any problems with Navajo religious sites that you know?

Mr. BITSUIE. I think many of the issues surrounding the use of hogans for religious purposes, and there are many issues surrounding that particular——

Mr. YATES. Do you want to give us a statement on that for the record?

Mr. BITSUIE. Sure.

[The information follows:]

THE NAVAJO NATION

**SUPPLEMENTAL TESTIMONY OF LEONARD HASKIE,
PRESIDENT OF THE NAVAJO NATION**

**Before the
Subcommittee on Interior and Related Agencies,
Committee on Appropriations,
House of Representatives**

May 8, 1990

As Interim President of the Navajo Nation, I wish to express my gratitude for the opportunity to testify at the April 23, 1990 Relocation Commission Appropriations Hearing. During the hearing, you asked for additional testimony regarding Navajo religious practices and access to sacred sites. This testimony provides the information you requested.

The April 23rd hearing also raised many other issues. An issue which received a great deal of attention was the effect of Secretary Lujan's policy on the speed of relocation. This testimony provides information regarding the people most affected by the proposed Lujan moratorium: the Navajo refugees.

RELIGIOUS PRACTICES

It is impossible to discuss incidents of interference with Navajo religious rights or the religious significance of the Navajo hogan without some discussion of Navajo religion in general. Religion, land, and the way we, as Navajo people, lead our lives are all part of a single great design which we follow, and which makes the Navajo people what we are. Physical places are imbued with a tremendous spiritual value. Many of the songs sung by the medicine people relate to journeys or take place in specific settings. A ceremony itself may use materials taken from these settings. Also there are many ceremonies, and many songs which are particular to a place and a community. These ceremonies must be performed in the right place.

The visible landscape within the sacred mountains, where the Navajo have settled, is permeated by sacred space which is "visible" to us and which is the field in which the most important events of our lives take place. When we see something in the landscape, it also may remind us of a religious event which took place there. In the Navajo way of life these things are not written down, but by living in the setting where the song or story takes place, the ceremony can be remembered.

Relocation has torn the great design of Navajo life. Each time a medicine person leaves the land which recognizes him and where his ceremony "lives", each time barbed wire keeps people from gathering certain materials or carrying a sacred object from one place to the next, each time a sacred place is desecrated, it puts another hole in the fabric of Navajo life.

If a Navajo feels that something is not right, or is sick, he or she will go to a medicine person who specializes in diagnosis. Based on this first medicine person's diagnosis and prescription, the patient will search out another medicine person to perform the prescribed ceremony. There are a great many ceremonies and sometimes only a few people know how to perform them. It sometimes happens, because of relocation or the effects of the "land dispute", that it is no longer possible to perform some ceremonies. In cases like this the patient may suffer because he or she cannot receive proper treatment.

Navajo people believe that their prayers and activities maintain the natural environment as a fit place for life. Because of the disturbances caused by the "land dispute", prayers and ceremonies are not being performed, and it is not always possible for people to carry out their day-to-day existence in the right way. This has resulted in the long drought of the 1970's and 80's, and in the deterioration of rangeland.

This is how Navajo people see things. This is why relocation and construction activities on the "disputed lands" are seen as such threats. If one understands these things one understands how incidents can occur.

In May, 1988, members of Teesto community gathered near a range fence which had been constructed, over their objections, through sacred ground. Despite the efforts of Navajo Tribal officials, community members pulled up several hundred yards of fence. The construction of this fence interfered with religious practices.

In February, 1989, elders in Big Mountain asked range construction crews not to bulldoze a burial site and an area where sacred herbs are gathered. After the elders were laughed at by the construction workers, they attempted to block the bulldozers with their bodies. This demonstration resulted in arrests and court action against Navajo people. The meaning of the burial site and the sacred herbs to the religious life of that community and others cannot be overestimated.

Recently, the Navajo Tribe has become aware of the desecration of a Navajo sacred site in District 6. The site is the place where White Shell Woman gave birth to the Navajo Twins. It has been filled with dirt and Hopi prayer sticks and many sacred items have been removed.

Construction freezes also have had a religious impact. Some ceremonies require special construction, which is illegal under present law and court decisions. Because the Hopi Tribe will only grant approval for the construction of new hogans under very special conditions, it is difficult for many ceremonies to be performed. In addition, court orders requiring demolition of ceremonial hogans have created great difficulties.

The Navajo hogan has a special religious significance. It is a center for our family's livelihood and a place where we conduct our ceremonies. When Navajo people get married or are cured of sickness, it happens in a hogan. When a girl becomes a woman that happens in a hogan. Many ceremonies involve paintings which are done inside the hogan, or songs which are sung inside a hogan and which tell a story ending at the hogan.

The hogan is in some ways comparable to a Christian church. Its ritual purpose is described in great detail in songs and stories. The way in which it is constructed is dictated by tradition; for example the doorway of the hogan faces east to greet the rising sun and let in its blessing. The hogan is a physical manifestation of sacred space, and it is on the floor of the hogan that the holy people and other sacred things are depicted in sand paintings. Because of this the floor becomes sacred and cannot be removed or disturbed.

Sometimes hundreds of people gather at and in a family's hogan for family/community ceremonies. The value of the hogan increases as the years of prayers and ceremonies build up inside it. The value of the hogan is in no way related to the value or appearance of the materials making it up. The hogan cannot be abandoned by a family unless it is contaminated as by

death or lightening. In that case it must be left alone to fall apart.

Every object, every spatial position, every person within the hogan has a symbolic meaning. All of Navajo Land is thought of as a hogan, with the sacred mountains defining its boundaries and door. The Holy People told the Dine' how to live inside these mountains in the same way they teach a family to live inside its hogan.

On top of Big Mountain there is a shrine people there call the House of God. The place it is built you can see all the sacred mountains. It is shaped like a hogan and it is very sacred. It is related to the family hogans, and to the way of thinking about Navajo land as a hogan.

These things, sacred places, ceremonies, hogans and other religious "practices" are part of the greater whole. Navajos do not separate land and people, or religion from daily life. There are no parts of our lives that can be removed without damaging the rest. When we are taken from our land, or when the total way of our life on that land is damaged, Navajos get sick. If the disturbance is great enough we cease being what we are.

PROPOSED LUJAN POLICY

You asked several questions regarding the effect of Secretary Lujan's proposed reprioritization policy on the speed of relocation. Relocation Commission staff answered that the signing of housing acquisition contracts had slowed by more than sixty percent since the February announcement of the Secretary's proposed policy.

The Navajo Nation would like to address an additional problem created as a result of the proposed refugee move moratorium. The problem of prolonged suffering and wasted lives. The real problem of elderly couples forced to live their final years in scrap lumber shacks and of infants and small children suffering repeated bouts of pneumonia and diarrhea.

Over the last 15 years, thousands of Navajo families have moved from their traditional homes on the HPL. So many Navajo families have moved that the federal government has not been able to provide them all with houses.

Now there are more than 700 families "waiting" for their new houses. They are the Navajo refugees. We have enclosed descriptions and photographs of several refugee families and respectfully request that they be made part of the hearing record. We hope that by knowing more about these people, they will come to be thought of as real people, not numbers of households remaining to be relocated by the Relocation Office.

The Navajo Nation understands that the Hopi Tribe wants complete control over the HPL immediately. And Secretary Lujan may believe that the HPL can be cleared of Navajos by simply dictating new priorities to the Relocation Office. As the Relocation Commission has testified, however, the effect of this policy will only be to delay the Navajo relocation.

The Navajo Nation cannot allow the suffering of the Navajo refugees to be prolonged through sickness and death in aid of Hopi jurisdiction over additional range lands.

The promise of a generous and humane relocation program was abrogated by the federal government long ago. The Federal government needs to enforce at a minimum adherence to the principles of fairness and decency. The Navajo Nation makes that request of Congress now.

Please help us protect our religion and the Navajo refugees. That is what is in our prayers. Thank you.

RENA WILLIAMS

For the last nine years, since leaving the Hopi Partitioned Lands in compliance with P.L. 93-531, Rena Williams and her husband have lived on the edge of the fairgrounds one half mile from Tuba City. They live in a hogan made of two by fours and plywood. Their hogan is 20 feet in diameter; its floor is dirt. The two windows are broken and the door has fallen off its hinges. There is no water, no electricity, and no toilet. Water must be hauled from Tuba City. The hogan is poorly insulated and the only source of heat is a small wood stove. The woodstove is not adequate to keep the hogan warm in winter.

Rena Williams is 86 years old. She has high blood pressure, and had a stroke nine months ago. Since then she has been unable to walk without assistance of a walker. Her husband, Joe, is 85 and has heart trouble.

Mr. and Mrs. Williams applied for voluntary relocation eleven years ago. Nine years ago the Commission told them they were eligible and would receive a replacement house. The Williams have been waiting ever since. They wish to move to the Tuba City Northeast Subdivision. Construction of that subdivision is due to begin this summer, but the Secretary of the Interior's directive prohibits construction of housing for refugee families like the Williams. The Williams fear they will remain refugees for years to come.

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DAZIE MAIZE

Dazie Maize and her grandson live in a small hogan made of plywood on a frame of two by fours. The hogan they live in is approximately 15 feet in diameter. There is only one room, so there is no privacy. The floor is dirt. Neither the walls nor the ceiling have any insulation, and furnish scant protection from the bitter winds and sub-freezing temperatures of northern Arizona winters. Cold air blows in around the single window and makeshift door of the hogan.

The only source of heat is a small wood stove. Because the structure does not retain heat, the stove must be overheated. This results in a fire hazard where the overheated stove pipe passes through the roof.

There is no electricity in the Maize household; a kerosene lantern provides the only light. There is no water either. Instead, water must be carried from nearest windmill, two miles away. The Maizes have no vehicle, and the long walk is an extreme hardship. Dazie Maize is 80 years old, and her grandson is disabled; his left arm is paralyzed and he has difficulty walking.

Dazie does the cooking on the wood stove. Food and cooking implements are stored on a small table. There is no refrigeration, and as a result, the Maize's are seldom able to include fresh food in their diet.

The hogan the Maizes are living in is two years old. Before that, from 1981 to 1988, they lived in an adjacent eight foot by twelve foot shack made of scrap lumber and roofing paper.

The Maizes were certified eligible to receive relocation benefits five years ago, and have been awaiting their replacement dwelling ever since.

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ASON TAPAH MOX AND JEAN BEGAY

Ason Tapah Mox and Jean Begay are mother and daughter. Ason Tapah is 84 years old and Jean is 68. They live together in a hogan on Coalmine Mesa in the Statutory Freeze Area. The hogan is made of plywood on a frame of two by fours. The interior consists of a single room, seventeen feet in diameter. The floor is dirt. The hogan is inadequately insulated and is bitterly cold and drafty in the winter. Snow and dust blow in around the two windows and the door. Such heat as there is is provided by a small wood stove.

There is no electricity, and no running water or indoor plumbing. Light in the evenings is furnished by a kerosene lamp, and meals are cooked on a small butane stove. There is little space to store or prepare food. Because the Moxes do not have a refrigerator, they are not able to include fresh food in their diet only about once a month. Water must be hauled from Tuba City, fourteen miles away.

Ason Tapah Mox was certified eligible to receive a relocation house in October, 1978. Jean Begay was certified in January, 1979. They have been waiting for relocation houses for more than ten years now. They moved from the HPL to their present location two years ago because the rest of their family had already been relocated. They felt lonely and isolated where they were.

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LEONARD BEGAY

Leonard Begay and his three children live in a dilapidated 38 year old trailer. The floor of the trailer has collapsed and is being shored up from underneath the scraps of lumber. Most of the windows in the trailer are broken and boarded up, and the roof leaks. The trailer is uninsulated and gets bitterly cold during the harsh winter weather. The cold is particularly hard on the children who range in age from four months to three and one-half years. Last winter, one of the children contracted pneumonia.

The only source of heat is a wood stove which is too small to heat the trailer. Both the floor under the stove and the wall next to it are charred because the stove is frequently overheated in a losing battle to keep the trailer warm. The result is a severe fire hazard.

There is no electricity; the only source of light is a single propane lantern. There is a small propane stove for cooking. Both stoves and the lantern give off fumes. There is inadequate ventilation because only one of the trailer's windows can be opened.

The kitchen is tiny, only four feet by six feet. There is no refrigeration, not even an ice chest. Because there is no way to store fresh food, Leonard Begay and his children subsist on a diet of canned and dried goods. They store this food in the cab of a broken down pickup truck in the front yard.

There is a bathroom in the trailer but there are no water or sewer lines to hook it up to so it is unused. Water must be hauled to the trailer from a distance of five miles in a 55 gallon oil drum. It is

then stored in the kitchen in open containers. Mr. Begay's children suffer frequent bouts of diarrhea.

The Begays are severely overcrowded. One "bedroom" is eight feet by ten feet and the other is eight feet by eight feet. The trailer was never designed for prolonged occupancy. Storage space is minimal.

Leonard Begay moved from the Hopi Partitioned Land in 1981. He was certified eligible for relocation assistance and benefits in February of 1985. He was at the point of signing a contract for construction of his replacement dwelling when the Secretary of the Interior placed a moratorium on construction of houses for non-HPL residents.

Because of the Secretary's directive, Mr. Begay would like to move back to the HPL, but his hogan there is gone. Mr. Begay and his family are deeply angry. They feel they were tricked into leaving their home and now may never receive the benefits promised by Congress.

LOLA BABBITT CHEE

Lola Babbitt Chee lives in Tonalea, Arizona. The hogan she and her family live in is structurally unsound. It was struck by lightning and part of the roof, including the main support beams, caught fire. Attempts have been made to repair the roof, but it still sags badly and is in danger of collapsing. The walls, made of stucco on chicken wire, are badly deteriorated and are also in danger of collapsing.

Mrs. Chee's hogan is not weatherized; it is cold and drafty in the winter months. There is no electricity and no running water or indoor plumbing. There are no sewage disposal facilities. Five members of the family live in the hogan full time. Both sexes, ranging in age from 9 to 43 years old, share the single room. The children sleep on the floor as there are not enough beds to go around.

Lola Chee has Parkinson's Disease and desperately needs safe and sanitary housing. The family is violating a cultural taboo by remaining in a hogan that has been struck by lightening, but they have no alternative.

The Chees were certified eligible for a replacement dwelling in January, 1986. They have been waiting over four years for the relocation housing they were promised.

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LORENZO ISAAC

Lorenzo Isaac, his wife, and their infant daughter live in a 40 year old, 14 foot long trailer and a 10 foot by 16 foot shack made of plywood, cardboard, and scrap lumber. The trailer's windows are all broken and its floor is caving in. Neither structure has any insulation and they provide scant protection from the harsh winters typical of northern Arizona. Nighttime temperatures in the area usually drop to between zero and 20 degrees during the winter.

The roof of the shack leaks when it rains. Wind and dust blow in around windows and doors. The only heat comes from a small coal stove in the shack. The stove pipe is not insulated where it passes through the roof and poses a fire hazard. At night the sole source of light is a kerosene lamp. The Isaacs have no running water, no electricity, and no sanitary or sewage disposal facilities. They are overcrowded. The main room of the shack, where the stove is, is only 8 feet by 10 feet.

The Isaacs must live on a diet of canned and dry goods. The only place they have to store fresh food is a five gallon ice chest, and they have no way to get ice for it. As a result of inadequate diet and poor housing, the Isaacs suffer from a variety of health problems. Lorenzo has high blood pressure. His wife was hospitalized last fall with kidney trouble, and the baby was sick all winter with diarrhea, flu, colds and ear infections.

The family has been waiting more than five years for the decent, safe and sanitary housing they were promised when they left their homes on the Hopi Partitioned Lands in compliance with the relocation law.

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Mr. YATES. You are decreasing your staff by eight positions for 1991?

Mr. ATKINSON. Yes, sir.

Mr. YATES. Is there a reason for that?

Mr. ATKINSON. Yes, sir.

Mr. YATES. Not enough money or what?

Mr. ATKINSON. It is the additional work that is being developed in the counseling and the additional work that we are doing out on the HPL to help the Navajo families.

Mr. MCALISTER. We had added the Bureau of Indian Affairs Counseling component.

We had extended that program for two additional years. We lost the FTEs for those positions in 1991, but at the same time, we had gained in 1990, 10 positions.

We are absorbing all but one of those positions. So while there is a FTE count change, it will not decrease the number of counselors.

Mr. YATES. Gentlemen, we have a number of questions for the record.

Mr. ATKINSON. Thank you very much.

Mr. YATES. Thank you for your work.

Good luck, Mr. President, Mr. Chairman, Mr. Bitsuie, and entourage.

[Questions and answers for the record follow:]

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

Additional Committee Questions

Secretary Lujan's Directions on Relocation

QUESTION 1 On February 5, the Secretary of the Interior wrote to the Relocation Commission instructing you not to enter into any new relocation contracts until all eligible Navajos currently residing on the HPL have received their relocation benefits. That directive prohibits the relocation of eligible Navajos who have voluntarily moved off the HPL until all Navajos on Hopi lands have received their benefits.

A. What changes do you plan to make to your relocation counseling and processing priorities as a result of this instruction from the Secretary?

RESPONSE The most obvious change, which has already taken place, is that the Commission is no longer signing contracts with any individuals who are not full-time residents of the HPL. We have also intensified the counseling effort to clarify for both HPL and non-HPL residents, the meaning of Secretary Lujan's instruction and how it impacts their situation. The HPL residents have always been the Commission's highest priority and we continue to work as intensely as possible to encourage those individuals to prepare a relocation plan, and therefore, there is no immediate plan for altering the process. This would only become necessary if there is a notification of intent on part of either the Hopi Tribe or the Justice Department to support involuntary relocation of some kind, which is not currently within the authority of the Relocation Commission. Additionally, it should be pointed out that under P.L. 100-666 the new Commissioner, whose confirmation hearings will be the 21st of May, is not directly responsible to the Secretary of Interior and therefore, these instructions may become invalid following that confirmation.

B. What impact have these instructions had on your ability to operate the program?

RESPONSE The only major impact of these instructions on the Commission's ability to operate the program is that there has been a precipitous drop in the number of relocation contracts signed each month. In the four months prior to the instruction from the Secretary, the Commission averaged approximately seventeen new contracts a month, and in the three months since that instruction was received, this average has dropped to approximately six new contracts per month. A secondary impact is the problem that the agency's counseling staff is having in explaining to individuals who were preparing to move that they are no longer eligible to sign a contract unless they are full-time HPL residents.

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C. How do your counselors explain the postponing of benefits for eligible relocatees who are currently in the counseling stage and who expect the process to work as previously explained to them?

RESPONSE The postponing of benefits is explained very simply in terms of relating the content of the Secretary's letter and indicating that the Commission at this point in time has no alternative but to comply with those instructions.

D. How many were relocated from the HPL in FY 1989?

RESPONSE A total of 61 clients and their families were relocated from the HPL in FY 1989. During FY 1989 and FY 1990, until February 5 when the Commission received instructions from Secretary Lujan regarding relocation of HPL residents, two computer records were used to determine the pre-move residence of relocatees. The records were developed in response to the data needs of the two counseling components: The Commission's counseling branch, and the former BIA New Lands social work program. As a direct result of the Secretary's instructions, it has been determined that a single source of information will most effectively meet the agency's program needs. Information from the two files has been combined, and the record entitled "Master HPL Code" has been instituted as the file record to be maintained as the most up-to-date record of pre-move residence locations of relocatees.

E. How many have been relocated so far this year from the HPL? How many more do you expect to move off the HPL this year?

RESPONSE To this date, 15 relocatees shown as HPL residents on the Master HPL Code and the CCD Code have relocated to replacement homes. We anticipate that an additional 48 clients and their families will move during the remainder of FY 1990. This number encompasses the following categories of clients:

13 HPL residents who have signed relocation contracts and are awaiting construction completion.

13 HPL residents who are currently in home search, engaged in activities leading to the selection of a contractor.

11 HPL residents who have completed counseling and are awaiting completion of infrastructure development on New Lands range units.

6 HPL residents who have completed counseling and are awaiting completion of administrative processing for homesite leases on the Navajo reservation.

5 HPL residents whose homesite lease selections have completed processing, but who have not completed counseling.

F. How long do you estimate, realistically, it will take to

relocate the remaining families from the HPL?

RESPONSE It is very difficult to predict the time it will take to complete relocation of the individuals remaining on the HPL. There are approximately 140 certified heads of household, and between 30 and 50"resistors" remaining on the HPL. Secretary Lujan's recent instruction regarding contracting only with HPL residents has seriously affected the Commission's ability to enduce these clients to relocate. They are unwilling to proceed with their relocation without the inclusion of their non-HPL family members. The most workable plan the Commission has been able to develop would basically accomplish the completion of the program (i.e. the movement of all of the eligible relocatees, both HPL and non-HPL residents) in approximately 1995 or 1996. The Commission strongly feels that the only way to clear the HPL without utilizing the group move concept is some form of forced relocation which it neither advocates nor anticipates. Therefore the bottom line answer to this question is that the HPL would only be completely cleared of voluntary relocatees at or slightly before the completion of the entire program.

Pace of Relocation

QUESTION 2 At the end of FY 1989 you had 964 families remaining to be relocated. Your budget assumes 694 remaining at the end of FY 1990 and 424 remaining at the end of FY 1991.

A. How will those numbers change as a result of the Secretary's latest direction?

RESPONSE It is impossible to predict at this point in time, exactly how the numbers will change as a result of Secretary Lujan's latest direction. As mentioned in response to an earlier question the number of contracts being signed has dropped by approximately 70 percent and therefore, if this situation continues throughout the fiscal year, there will be approximately 100 to 120 fewer moves during fiscal year 1990 and approximately 150 fewer moves during fiscal year 1991.

Certified Relocatees

QUESTION 3 On page 4 of your budget request you state that 2,672 families had been certified as eligible for relocation benefits as of the end of FY 1989. In your March 1990 update you state that 2,698 have been certified, an increase of 26 families.

A. How do you explain this increase? Is all of the increase due to appeals of denied applications? If not, what else is causing the increase?

RESPONSE The entire increase is due to reversals of previous denials of benefits.

Chambers/Sanders Trust Lands -- New Lands

QUESTION 4

A. How many relocatee families have expressed an interest in relocating to the New Lands? How many of them are HPL residents?

RESPONSE There are 105 clients who expressed an interest in the New Lands. 40 of these are HPL clients. Of the 105 clients, 79 have an official preferred site for the New Lands. 26 were provided by the counselors after reviewing the listing of undecided, resistors and homesite lease problems.

B. How much room is there on the New Lands to accommodate families in addition to certified relocatees?

RESPONSE The New Lands comprised a total of 350,000 acres. In terms of just acreage there is room for thousands of families in addition to certified Relocatees. However, since the primary reason for acquiring these lands was to allow traditional Navajo that are eligible for relocation benefits to continue their pastoral lifestyle, the answer to this question should be responded to in terms of the impact that additional people moving to the New Lands would have on the livestock operations.

The livestock carrying capacity of the New Lands averages roughly 50 sheep units per square mile. There are a total of 640 acres in a square mile. The housing density that is being employed by the Relocation Commission in the rural community is approximately one house per five acres while the ratio in the range clusters is about one to four. A housing development similar to the rural community in density would accommodate 128 families per square mile and would result in the loss of the ability to run about 50 sheep.

A primary concern of the Commission is that grazing permits are available on the New Lands for all those families that are eligible for them under the New Lands Grazing Regulations. Under these regulations we anticipate issuing a total of 162 grazing permits at eighty sheep units each for a total of 12,960 sheep units. According to the calculations of both the BIA and the Relocation Commission, the carrying capacity of the New Lands exceeds the anticipated total number of permitted sheep units to be issued by approximately 5,000 sheep units.

This 5,000 sheep units translates into approximately 100 square miles or 64,000 acres of land. While plans are currently under way or actually implemented for developing portions of the New

Lands for a rural community, commercial/industrial sites, school sites and other community uses it is anticipated that no more than 10,000 to 12,000 acres will be set aside for these purposes.

It should be clear from the above discussion that there is a considerable amount of land on the New Lands that could be utilized for residential purposes for families that are not certified for relocation.

Grazing Regulations on the New Lands

QUESTION 5

A. Who controls grazing on the New Lands?

RESPONSE The Relocation Commission, with a range management staff of twenty-four people, is responsible for enforcement of the grazing regulations, development of range management plans, monitoring of range conditions and development of range improvements on the New Lands.

B. What regulations apply?

RESPONSE The New Lands Administration Grazing Regulations, 25 CFR Part 700, that were published in the Federal Register on June 24, 1986 currently apply to the New Lands.

C. Are those regulations currently being modified? If so, what are the proposed changes and why are they needed?

RESPONSE Yes, the Relocation Commission is currently seeking to modify the New Lands grazing regulations.

The current New Lands grazing regulations (25 CFR 700) are good regulations and have been effective to the extent they answer the following six needs for range resource administration:

a) They state clear objectives 1) the preservation of the forage, the land, and the water resources of the New Lands and 2) the resettlement of Navajo Indians physically residing on the Hopi Partitioned Lands to the New Lands. (700.750)

b) They designate who the range resource users are through issuance of grazing permits. (700.711, 700.713, 700.715)

c) They designate what the grazing resources are for the New Lands and each range unit (stocking rates). (700.709)

d) They designate distinct land areas for management (fenced range units). (700.723)

e) They require conservation management, which is to be agreed on and administered as a written document (range

management plans). (700.723)

f) They specify an enforcement procedure to insure compliance to the regulations for the rights protection of the people.

More simply put, the regulation answers:

a) Why? - objectives defined

b) Who? - users defined

c) What? - resource defined

d) Where? - area defined

e) How? and When? - management defined

f) Enforcement? - control procedures defined

Rangeland administration of all federal lands require regulations which answer the above management questions. Indian lands have been difficult to manage due to multiple overlapping claims as to who has the right to, or responsibility for, answering the above questions and making rules for orderly use of range resources. However, the basic requirements for the management of Indian lands are the same as for other federal lands:

- Permits are required for use of common or public land resources.
- Eligibility for a grazing permit is based on the control of base property connected with the area to be used for grazing, and proof that the person is in the livestock business.
- Permits are assigned for a specific defined land area.
- The total stocking rate of all permits issued for an area does not exceed the designated livestock carrying capacity of the area.
- Management responsibility and accountability is defined through a single head person for an area, or a written document representing all permittees, or both. (Traditionally this was through a headman or chief of a localized area. Defense of grazing areas was under common rule with the final word on stock numbers and moves made by the wisest. Population growth beyond the lands' ability to support a pastoral lifestyle for all who want it, and breaking up of local rule by federal, state, and tribal systems, has broken down the ability of the local people to properly manage their common lands. Negotiated and signed management plans, and permittee grazing associations, can now institute the needed order).

Rangeland resources, and the benefits of their use, on federal lands in the United States belong to the public, and management plans and user fees assure that the public derives benefits from the lands owned in common. Indian lands are federal lands, whose resources are designated for the benefit of the people of the designated tribe. Management plans and user fees assure all

tribal members derive benefit from these resources on most reservations. Most reservations lease grazing out to professional operators under contract (thus maintaining one head for one area of land, with full accountability); a fee is charged which goes to benefit all members of the tribe.

On the Navajo reservation the people choose to graze their own stock on lands under the control of local grazers. A livestock permitting system was implemented in the 1930s to designate the stocking rates of large grazing districts, and designate those people permitted to graze proper livestock numbers on these common use districts - leaving the people to regulate grazing, with no common head over a common use area. The result has been:

a) No common objective or rules or regulations to direct management.

b) People themselves deciding their own permit transfers, and multiple permit divisions.

c) People establishing their own stocking rates.

d) People selecting their own use areas and defending their use in a seemingly random and chaotic manner.

e) People deciding their own management practices independent of other common grazers.

f) People using the civil court system to litigate disputes.

Unregulated range management has resulted in the typical "tragedy of the commons" expected when responsibility and accountability are not defined. Federal Navajo lands have substantially degraded in only a few decades, and the loss of resource productivity has impoverished the people whom these common resources are meant to benefit.

Under the New Lands grazing regulations, the New Lands are being administered to maintain responsible resource management:

a) Objectives are set through regular meetings with grazing permittees to establish goals and agree on management under the regulations.

b) Grazing permits are issued for set stocking amounts to each person permitted to graze a unit area.

c) Definite stocking rates are established and monitored.

d) Defined grazing units are established with enough forage, vegetative diversity, and water locations to sustain a viable livestock herd.

e) Permittees of each grazing unit have agreed on a conservation

management plan involving the rotation of livestock grazing.

f) Livestock grazing is controlled through grazing regulations under the supervision of the Commissions' range staff. (A key element in enforcement is the common herd concept, wherein all permittees must graze livestock together on one pasture at a time in rotation. The grazing system, once agreed on is maintained by consent and peer pressure,....and by government intervention only if required).

In light of the above examination, the purpose of the current revision of the regulation is to define the responsibility for grazing administration by the Commissioner and improve the following administration:

a) Objectives definitions - no change

b) User definitions

1. Improve the process of assignment of permits to facilitate relocation. A list replaces criteria, as time is of the essence in moving people as they are ready. Other former permit holders are now eligible, which will facilitate more relocations.
2. Improve the lot of grazers by making all permits larger (80 suyl, or actually 80 suyl minimum as all must practice conservation management under the regulations, and are able to receive additional seasonal permits under their Range Management Plan to graze at 100% stocking levels).
3. Improve the ability to manage, as all permittees have equal sized permits, requiring equal commitment.
4. Require residency (base property) on range unit of permit holder, and ownership of livestock to maintain a permit.

c) Resources definitions - no changes

d) Area definitions - no change

e) Management

1. Provide a mechanism for the orderly adjustment of stocking to meet the needs of the range management plan by issuing temporary permits for extra forage use until monitoring verifies proper stocking rates under management (this is the incentive for carrying out goals as required in the current regulation (-- 700.723b).

2. Add monitoring as a management plan requirement to assure goals are met, and to verify government accountability for conservation.

f) Control

1. Add a ten day period, after written notice of trespass

is issued, to allow for informal resolution of initial trespass by permittees on a range unit before impoundment procedures begin.

Additionally, the order of some of the sections of the regulation have been rearranged to reflect a clear sequence of the "why", "who" "what", "where", "how", "when", and control, as examined above, and as presented in other Federal land management agency regulations.

The outline of a Range Management Plan folder (given to each livestock permittee) incorporates the essential elements of regulation discussed above. A Range Management Plan is developed in cooperation with all permittees for each range unit, and as such, constitutes a contract for conservation management for joint administration of the rangeland by the livestock owners (permittees) and the land trustees (Federal Government Agency). The Range Management Plan is not only a set of rules and agreements for achieving conservation goals, it presents the format for permittees to make agreements on cooperative management to achieve their production goals. The requirement that livestock be grouped together and grazing areas rotated, requires permittees to find ways to cooperate on breeding stock and season, roundups and marketing, and animal health, nutrition and safety from predators. This cooperation, whether through formulation of formal range unit associations, or frequent group meetings of individual permittees on the range unit, is the basis of a new order of local land management required for long term success of conservation management of the New Lands, particularly for the future when there will be less federal supervision of the area. Good land management can continue with minimal enforcement, but only with clear regulations and good management plans in effect.

The changes contained in the regulations have been presented at meetings of each of the six currently occupied New Lands range units, and to groups of permittees for two new range units to be settled soon. It is encouraging to see how well the recommendations have been received. After receiving explanations of range conservation concepts, the consensus of every group has been to proceed with greater pasture development and further range management plan development. Natural leaders are appearing in each group who are encouraging the others to progress to common solutions which will benefit all.

School and Health Care Requirements

QUESTION 6

A. What school-related projects for relocatees to the New Lands have been funded by the Relocation Office?

RESPONSE 69 acres on the New Lands have been provided to the Sanders School District for the site of a new high school -- and the agency conducted the archaeological surveys and provided legal descriptions and plat maps for the site. Support has been given

to the District's request to the U.S. Department of Education for Federal Impact Assistance. Almost $600,000 was provided to the Sanders School District for a high school multi-purpose building. Some of the youth who worked in the 1989 summer youth employment project were placed with the Sanders School District.

Although not associated with the Sanders School District, the Office's Building Trades Training Program is providing the 20 trainees with academic and job skills.

B. Have you been involved in any health-care related projects? If so, please describe your involvement.

RESPONSE The Office has provided information to assist the Navajo Tribe in its assessment of the need for a clinic in the New Lands area.

C. What prospective projects in the education and health areas are you considering? What role would you play in these projects?

RESPONSE The New Lands relocatees have asked the Navajo Tribe to establish a Head Start program -- the Office will make land available and will ask for funds to be reprogrammed so that it can cost share construction of the facility with the Navajo Tribe. The Building Trades Program will be refunded and operated during September 1990 - June 1991. A needs assessment will be performed for a fire substation and rescue squad. If a facility is warranted, the Office will make land available and explore funding assistance.

Economic Development

QUESTION 7 .

A. How is the Relocation Office working with industry and the Tribes to encourage economic development in the New Lands area?

RESPONSE The agency has funded consultants to prepare an "Economic Development Prospectus" of the New Lands and an "Identification of Potentially Suitable Sites for Commercial and Industrial Developments on the New Lands."

Beyond the above efforts, the Office's Range Management Program is assisting grazing permit holders to increase the profitability of their herds by making fencing and livestock watering improvements. Staff are also assisting permittees in shifting from sheep to cattle, and with animal husbandry, nutrition, and marketing. It is expected that these efforts will help the permittees to double their productivity.

B. What industries have expressed an interest in locating businesses on the New Lands? How many jobs would be created by each of those businesses?

RESPONSE Toh Dine Industries is a firm which operates an electronics

assembly plant on the Navajo Reservation at Leupp, Arizona. It is a for-profit subsidiary of Dine Cooperatives, Inc. which built and operates the Chinle shopping center. Toh Dine manufactures components under contract for General Motors Corporation. Toh Dine believes that it has exhausted the labor market at Leupp, and is looking to expand with a new plan -- and the New Lands is one of four sites being considered. The proposed facility has the potential to create 300 to 400 jobs based on a year booked business of $50 million by 1993. A 20 acre site will be needed for a building of from 35,000 to 70,000 square feet. The Office is actively soliciting Toh Dine's locating on the New Lands.

A Phoenix-based entrepreneur has been provided information about the New Lands, and expressed an interest in building a mini-mall at Sanders.

C. What amount of funding is included in the FY 1991 budget request for economic development and what projects will it fund?

RESPONSE There are no direct economic development funds in the 1991 budget.

Range Management and Counseling

QUESTION 8 Explain how are you administering the programs transferred to you from the Bureau of Indian Affairs and what those programs involve.

A. To what extent will you continue those programs in FY 1991?

RESPONSE The programs instituted by the Bureau of Indian Affairs, in 1986, were basically no different than those the Commission had on line or planned. It merely constituted a commitment of additional resources to work intensely with the HPL residents in the counseling phase and continue the Commission's plans for infrastructure development on the New Lands. The Commission has absorbed all of the Bureau of Indian Affairs counseling positions into its own counseling component, effective this fiscal year and the programs will be continued basically as they have been operated in the past.

B. What are you doing in your counseling program to work with Navajos on the HPL?

RESPONSE The Commission is continuing to work intensely with those Navajos who still reside on the HPL, and has not altered its policy of giving these individuals first priority for relocation.

C. What additional counseling resources will you need to implement the Secretary's instruction to relocate HPL residents first?

RESPONSE At this point in time, it appears that no additional counseling

QUESTION 11

A. How many homes have been repaired to date through the housing repair program established by the Committee?

RESPONSE There were 31 homes repaired under the Appeal Repair Program, 78 homes were repaired under the Housing Repair Program Phase I and 52 homes have been repaired under the Housing Repair Program Phase II. The total is 161 homes repaired to date.

B. How many homes remain to be repaired?

RESPONSE There are 7 homes that are still pending repairs. In addition, it is estimated another 15 homes may need repairs.

C. What is your assessment of the home repair training program?

RESPONSE The program that the Commission has instituted on the New Lands for construction training is not a home repair training program. In actuality, it is a year long class providing training in a wide cross section of construction trades that renders the graduates capable of performing a wide range of duties for any general contractor. The program has been extremely well received by the community and has received many compliments for both their OJT projects repairing Navajo homes, with materials supplied by the Tribe, and for the effectiveness and sensitivity of the instruction staff. The Commission is extremely pleased with the progress of the Construction Trades Program.

D. To what extent are students or graduates of the home repair training program participating in the housing repair program?

RESPONSE None of the current class of students is employed in the housing repair program. Firstly, their training curriculum is full time for a year and that year does not conclude until this June. We will provide a report to the Committee following our placement efforts on the first graduating class.

E. How would you use the $250,000 included in your FY 1991 request for the training program?

RESPONSE The Commission is currently constructing a modern trades training facility on the rural community into which this program will move during fiscal year 1991. The $250,000 requested will provide the full year's training for another 20 New Lands residents and the success of the program during the first year makes the Commission very confident that the money will be well spent in continuing this program.

Relocations on the Navajo Reservation

QUESTION 12

A. How many families are waiting to be relocated to the Navajo

resources will be necessary. Since the Commission has no enforcement authority for involuntary relocation (i.e. a stick) and rather has had to rely only on the offer of improved conditions off of the HPL (i.e. the carrot) if in fact, we move to a full scale enforcement of increased priority for motivating HPL residents to move, there is less that can be done, rather than more. That is to say, individuals residing on the HPL can only be contacted so many times and if the Commission has nothing to offer them to induce them to move such as the group move concept, there is actually less reason for more frequent contact. The Commission, as mentioned earlier, has absorbed the majority of the previous Bureau of Indian Affairs counseling component and currently has a total counseling staff of thirteen which provides for a counselor to client ratio of 80 to 100 which is the lowest ratio we have ever had and should be sufficient to complete the program. As individuals who are less problematic to move drop off of the caseload, the counselors will have more time to work more intensely with those who, at the end of the program will inevitably have more problems associated with their relocation.

Paragon Resources Ranch

QUESTION 9 To what extent will you be relocating eligible Navajos to the Paragon ranch?

RESPONSE Currently, there are no plans to relocate eligible Navajos to the Paragon Ranch. The Paragon Ranch was acquired primarily as a source of potential revenue, not as a principal relocation site. There are attractive grazing areas within the Paragon Ranch and once the final negotiations for the development of the area are concluded, the Commission will in fact address its attention to development of some range areas if there are relocatees who indicate a desire to move to that area.

Discretionary Funds

QUESTION 10 What have you done to coordinate with the tribes with respect to projects to be funded with discretionary funds in FY 1991? Please provide details for the record.

RESPONSE The Commission has been working very closely with officials of the Navajo Hopi Land Development Office on prospective discretionary funds projects coordinated with the Rehabilitation Trust Fund. We will shortly submit a reprogramming request to match funds contained in the fiscal year 1990 Rehabilitation Trust Fund appropriation and and the Tribe has submitted its 1991 request and the Commission will provide a summary of additional funds which it requires in its 1991 budget (either through additional appropriations or reprogramming) to match those 1991 projects.

Home Repair Programs

identified it must be determined if there is going to be an impact to those sites as a result of the development activities. In almost every case it is determined that there will be an impact either as a direct result of construction activities or as a result of moving people into close proximity of the sites. If it is determined that an impact will occur it is necessary to develop a plan for mitigating that impact.

The process of compliance with the Historic Preservation is extremely time consuming. For example, on the 1,800 acre portion of the rural community that is currently being developed with housing, the inventory portion took over a year. The Commission was able to develop a programmatic agreement on the rural community that allowed us to begin development prior to completing the mitigation portion of clearance requirements. This has drastically reduced the amount of time until development could begin, however the expense of mitigating the impacts to sites has not been eliminated.

The Relocation Commission currently employs two archaeologists full time and has contracts with three archaeological organizations to do clearance work on the New Lands.

B. Is there any pending litigation with respect to archaeological clearances and the relocation program? If so, please explain.

RESPONSE There is one matter pending with respect to archaeological clearances. Roger Attakai, et al., v. United States, et. al (Civ 88-964 PCT EHC) is being appealed to THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT. THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF ARIZONA on February 28, 1990 issued an ORDER granting a preliminary injunction which enjoined the United States from continuing construction of certain range management projects on the Hopi Partitioned Lands without compliance with Section 106 of the National Historical Preservation Act. The remainder of the complaint, brought by Navajo residents of the Hopi Indian Reservation which alleged that the construction of fences and livestock watering facilities on portions of the Hopi Indian Reservation interfered with their ability to practice their religion was dismissed. The Commission believes that its activities on the New Lands are in compliance with the Order and that the relocation program will not be impacted.

Staffing

QUESTION 15

A. What are the 8 positions you propose to eliminate in FY 1991?

RESPONSE The eight positions eliminated in the fiscal year 1991 budget are the counseling component positions which had been picked up from the Bureau of Indian Affairs when they withdrew from the program. The Commission continued this component for two fiscal years as a separate unit of the organization and has now restructured and

absorbed this component into our our own internal counseling function.

B. Your program does not appear to be reduced in scope nor getting any easier. How then do you justify a reduction in staff?

RESPONSE The reduction was directed by OMB as a result of the understanding the Commission had with them in 1988 when it picked up the positions that the Assistant Secretary for the BIA had hired and that he requested the Commission retain when PL 100-666 transfered his responsibilities back to it. In reality the Commission will undoubtedly have to request additional FTE from OMB in the near future. In response to the committees inquiry the Commission has done as complete a review and prediction of its' near future FTE requirements as possible and it appears that a minimum of six additional positions will be required at an annual cost of $177,000 ($154,000 salary and $23,000 benefits).

C. What would it cost to fund the 8 positions in FY 1991?

RESPONSE See previous question. The Commission would need six additional positions, rather than eight, at an annual cost of $177,000.

MONDAY, APRIL 30, 1990.

DEPARTMENT OF HEALTH AND HUMAN SERVICES, INDIAN HEALTH SERVICE

WITNESSES

DR. EVERETT R. RHOADES, DIRECTOR, INDIAN HEALTH SERVICE

MILBURN H. ROACH, EXECUTIVE ASSISTANT TO THE DIRECTOR

BILL F. PEARSON, ASSOCIATE DIRECTOR, OFFICE OF ENVIRONMENTAL HEALTH AND ENGINEERING

DR. JOHN PORVAZNIK, ASSOCIATE DIRECTOR, OFFICE OF HEALTH PROGRAMS

OPENING REMARKS

Mr. YATES. Admiral, Commodore, and plain ordinary folk. Ms. Reporter, show the hearing as coming to order.

This is a hearing on the budget for the Indian Health Service for fiscal year 1991, and appearing in support of that budget is the distinguished Director, Dr. Everett Rhoades, who is accompanied by the Deputy Director, Mr. Robert Singyke. Am I close?

Dr. RHOADES. Very close, and he's not here today, Mr. Chairman.

Mr. YATES. Okay. Mr. Roach——

Dr. RHOADES. On my right.

Mr. YATES. Yes. Mr. Pearson, Associate Director—Mr. Pearson, we're glad to see you again. You've been promoted, haven't you?

Mr. PEARSON. Yes, sir.

Mr. YATES. Good.

Mr. PEARSON. Thank you for noticing.

Mr. YATES. You deserve it.

Mr. PEARSON. Thank you.

Mr. YATES. I didn't know they still had commodores. I thought you'd be an admiral.

Mr. PEARSON. They use the term "admiral" now.

Mr. YATES. Oh, for the commodore?

Mr. PEARSON. Yes.

Mr. YATES. Admiral? Are you a rear admiral?

Mr. PEARSON. Lower half. We have a lower half and——

Mr. YATES. Just like the lieutenant I was. I was a lieutenant junior grade.

Mr. PEARSON. I guess they didn't want to call it a Rear Admiral junior——

Mr. YATES. You can't have a rear admiral junior grade. [Laughter.]

And Dr. Porvaznik?

Dr. PORVAZNIK. Correct.

Mr. YATES. Associate Director, IHS.

All right, the testimony of the Director may go in for the record at this point, to be followed by Dr. Rhoades' biography. Have we had your biography before, Dr. Rhoades?

Dr. RHOADES. Yes, sir, I believe you have.

Mr. YATES. Well, we'll put it in again then—just for emphasis, and the biography of Dr. Porvaznik. Graduate of Dartmouth College and Harvard Medical School? Chief of surgery at Tuba City. Do you know what the condition of Tuba City is now? It's a slum, a big slum there as a consequence of the Navajo-Hopi dispute. They have a nice hospital; do they?

[The prepared statement and biography of Dr. Rhoades as well as the biography of Dr. Porvaznik follow:]

TESTIMONY OF THE DIRECTOR

of the

INDIAN HEALTH SERVICE

Mr. Chairman and Members of the Committee:

I am Dr. Everett Rhoades, Director of the Indian Health Service. I am accompanied by Mr. Robert Singyke, Deputy Director, Mr. Milburn Roach, Executive Assistant, Dr. John Porvaznik, Associate Director for Health Programs, Mr. Bill Pearson, Associate Director for Environmental Health and Engineering. We are pleased to be here today to discuss with you the Fiscal Year 1991 budget request for Indian Health programs.

The Indian Health Service (IHS) is the Federal agency charged with administering the principal health program for American Indians and Alaska Natives. The goal of the IHS is to raise the health status of American Indian and Alaska Native people to the highest possible level. Its mission is threefold: 1) to provide or assure the availability of high quality, comprehensive, and accessible health services; 2) to provide increasing opportunities for Indians to manage and operate their own health programs; and 3) to serve as a health advocate for Indian people. In FY 1991, the IHS will continue its mission by providing comprehensive health services to over one million Indian and Alaska Native people.

The IHS comprehensive delivery system is composed of two major systems: 1) a Federal health care delivery system, administered by Federal personnel, and 2) a tribal health care delivery system, administered by tribes and tribal organizations. Both systems include health care services provided directly and health services purchased from over 2,000 private providers. Both of these systems are reflected in the budget request under the respective headings of Federal Indian Health Administration and Tribal Health Administration. In addition, there are 34 urban Indian health projects providing a wide variety of health and referral services.

The program reflected under the budget heading of Federal Indian Health Administration is made up of 78 service units, 43 hospitals, 67 health centers, five school health centers and 55 health stations as of October 1989. The range of services provided include emergency medical, curative, rehabilitative, and preventive. In FY 1988, there were 3,878,331 outpatient visits and 92,393 hospital admissions. A priority of the federally administered program is preventing disease through promoting healthy behavior.

The program reflected under the budget heading of Tribal Administration is made up of 56 service units, 7 hospitals, 86 health centers, 3 school health centers, 63 health stations 173 Alaska Village clinics as of October 1989. Through self-determination contracts, the tribal health programs continue the comprehensive preventive and curative service delivery systems initiated by the IHS. In FY 1988,

there were 1,111,349 outpatient visits and 12,475 hospital admissions. Included in this activity are special programs in dental health, mental health, alcoholism and substance abuse, and contract health care.

Since the transfer of Indian Health programs from the Department of the Interior to the Public Health Service in 1955, the health status of American Indians and Alaska Natives has improved dramatically. For example, the maternal death rate for American Indians and Alaska Natives dropped from 82.6 maternal deaths per 100,000 live births in 1957-1959 to 8.8 in 1985-1987, a decrease of 89 percent. In 1987, there were 2 Indian maternal deaths. Many other examples of gains in health status exist and are reported annually in the IHS "Trends in Indian Health."

Access to IHS services continues to improve. Outpatient visits, including both contracted services and those provided in tribal clinics, have increased from 0.5 million in FY 1955 to 5.0 million in FY 1988, an increase of 1,000 percent. In the past 8 years, a total of one million visits have been added. The IHS and tribal direct and contract hospital admissions have increased from 50,000 in FY 1955 to 105,000 in FY 1988, an increase of 110 percent.

For FY 1991, the budget request for the IHS includes $874,637,000 for the programs under the budget heading Federal Indian Health Administration, an increase of 7.8 percent over the FY 1990 level, and includes $404,287,000 for programs under Tribal Health Administration, an increase of approximately 10 percent from the FY

1990 enacted level. The request for budget authority for IHS services is $1,278,924,000, an increase of $100,587,000 over the FY 1990 revised appropriation of $1,178,337,000. The FY 1991 request also includes $13,156,000 for Indian health facilities repair and construction.

Additionally, $134,100,000 will be available to the IHS through reimbursements for a total program level of $1,426,180,000. An estimated $84,000,000 collected from Medicare and Medicaid will be used for correcting Joint Commission on Accreditation of Health Care Organizations and Health Care Financing Administration survey deficiencies and for maintaining accreditation. The IHS proposes to use the estimated $40,000,000 collected from private insurers to augment those services that provide health care to Indians as required by Section 207 of the Indian Health Care Amendments of 1988.

During FY 1991, the IHS will continue the services funded in FY 1990, emphasizing a commitment to management excellence and quality of care, with primary attention to the immediate health care needs of the Indian people. Central to the commitment to management excellence is the quality management program begun in FY 1989. The program will strengthen the overall IHS organization and provide the best and most complete health care delivery services within available resources. Included in this commitment is the continuing emphasis on tribal management of programs and Indian self-determination.

The IHS is committed to supporting and promoting activities to maintain a sound, comprehensive care program while at the same time strengthening efforts to promote wellness through healthy behavior and by reduction of risk factors. Throughout all programs, the IHS continues to focus on quality assurance of health care delivery.

The IHS health services program has grown by approximately 30 percent since 1983, while the administrative budget has grown by 2.6 percent. In addition, the beneficiary population has grown at a rate of approximately 3 percent a year with an associated increase in demand for services. This growth in program size and complexity and the ever increasing need for accountability of all aspects of the program have placed a sharply increased burden on the IHS administrative infrastructure. This is particularly true in the administration and implementation of internal control measures and in insuring adequate control of resources necessary to diminish the risk and vulnerability of fraud and abuse.

The FY 1991 budget request includes $2 million for necessary staff to correct critical deficiencies in administrative functions and responsibilities. These deficiencies have been identified as a part of our quality management program. This strategy focuses on strengthening IHS administration and management by making immediate corrections where necessary, encouraging innovation in management systems and instilling in all IHS employees a commitment to

professionalism, integrity, and accountability. This strategy has the highest priority among our current objectives.

An important emphasis of the IHS management improvement program is to continue the implementation of automated data systems. Automation will improve both the quality and timeliness of information necessary to more effectively manage the program and control resources. The requested increase of $5.8 million in FY 1991 will enable the IHS to initiate improvements and expansion of the information resources management program.

The priority for management improvement does not lessen other IHS priorities. The IHS will continue to emphasize innovative efforts in the prevention of illness, especially involving alcohol and substance abuse, injuries and mental health. Reduction of modern causes of disease and disability require a different set of precepts and disciplines than in the past when provision of sanitation and immunizations proved so successful. Techniques now required to prevent life-style associated pathology require educating health care providers to the new discipline of health promotion and disease prevention; changing the life-styles of the health care providers themselves to be leaders in health promotion; and efforts to secure the involvement of the respective communities in the development and "ownership" of their own health promotion activities.

The continued emphasis upon health promotion as here described has produced gratifying results, none more than in the field of alcohol abuse. For example, the age-adjusted death rate from alcoholism for American Indians and Alaska Natives residing in the Reservation States has decreased 61 percent since its peak in 1973. In 1989, more than 250 individual Tribal Action Plans addressing alcoholism and substance abuse have been implemented and 88 percent of Federally-recognized tribes passed resolutions authorizing formation of Tribal Coordinating Committees to address alcoholism and drug abuse problems in their communities. As a result of the efforts by the IHS, there is a growing momentum of alcoholism prevention in various Indian communities. For example, at least two tribes, the Akhioka Village in Alaska and the Cheyenne River Sioux tribe in South Dakota, have enacted resolutions declaring that they intend to be free of the adverse consequences of alcoholism by the year 2000.

In FY 1990 the IHS mental health program received a funding increase of $8,422,000 to address mental health problems in American Indians and Alaska Natives. Problems of alcohol misuse, depression and anxiety frequently underlie and complicate physical disorders, including traumatic incidents, and require considerable attention from all care-givers. The funding increase will provide for about 130 additional positions or equivalent services to be purchased. In either case, the funds will be directed at unmet needs in child and family mental health services.

Recruitment and retention of health care workers continues to be a high priority, occupying a substantial portion of effort by many. The nurse shortage throughout the United States has affected the IHS in many of the same ways that it has affected the private sector. The current IHS vacancy rate for nurses is approximately 15 percent. Regarding physician vacancies, 155 are projected for the summer of 1990. The loan repayment program has become an essential part of the IHS recruitment and retention program and will continue in FY 1991 along with other strategies including intern programs, continuing education, and career ladder and development programs. The IHS request addresses the lack of sufficient numbers of Native American health professionals.

The IHS continues to emphasize Indian self-determination. A major activity in FY 1989 was the development of regulations for the implementation of Public Law 100-472, the Indian Self-Determination Act Amendments of 1988. This highly intense activity continues to consume much of IHS' staff and attention. The IHS collaborated closely with the Bureau of Indian Affairs and about 500 Federally recognized tribes. A joint IHS/BIA staff draft of the notice of proposed rulemaking is being reviewed by the tribes for further comment. Subject to comments received and resolution of any outstanding issues, we plan to issue the notice for proposed rule making later this fiscal year.

Again, separate requests for Tribal and Federal Indian Health Administration are proposed in the FY 1991 President's Budget to promote self-determination and

reflect continued support for the locating program administration at the local level. The budget includes $101 million, or full funding of estimated current contract support costs; expansion of the Indian Health Manpower scholarship program to its full statutory authorization of $12.6 million; and $4.1 million for management training for existing and potential self-determination contractors. As a result, we believe the FY 1991 President's Budget provides a greater choice to tribes and tribal organizations in determining whether to assume responsibility for health services themselves, or to continue receiving direct Federal health care services, more fully meeting the intent of P.L. 93.638.

In FY 1991, the IHS will continue to allocate program increases among Areas based on user population, actual workload, health status indicators, and standardized cost factors while providing for participation of tribes in planning, managing, staffing and evaluating IHS programs. The resource allocation models will continue to be reviewed and further refined. Particular emphasis will be given to the areas of greatest health concern, such as the three leading killers of Indians: heart disease, injuries, and cancer; the causes of increased years of premature life lost; mortality of infants and children; and certain important conditions such as diabetes, mental health, and alcohol and substance abuse.

Mr. Chairman and members of the Committee, I will be pleased to answer any questions you may have on the specifics of the FY 1991 budget request.

BIOGRAPHICAL SKETCH

EVERETT M. RHOADES, M.D.
Born: Lawton, Oklahoma - October, 24, 1931
Married: 5 children

EDUCATION:

High School:	Elgin High School, Elgin, Oklahoma 1945-1949
College:	Lafayette College, Easton, Penn., September 1949 - June 1952 No Degree
Medical School	University of Oklahoma School of Medicine Oklahoma City, Oklahoma, September 1952 - June 1956 M.D. Degree
Advance Training	Internship: Gorgas Hospital, Canal Zone, July 1, 1956 - July 1, 1957 Residency: Internal Medicine, University of Oklahoma Medical Center, July 1957 - July 1960 Chief Resident Medicine: University of Oklahoma, July 1960 - July 1961 Sub-Specialty Interest During Residency Training: Infectious Disease (18 months total)
MEDICAL LICENSURE:	Oklahoma 1956
SPECIALTY QUALIFICATION:	Diplomate American Board of Internal Medicine, 1963

TEACHING POSITIONS AND PROFESSIONAL EXPERIENCE:

1. Clinical Assistant in Medicine, University of Oklahoma Medical Center 1960-1961
2. Chief, Infectious Disease Section, Wilford Hall USAF Hospital 1961-1966
3. Consultant in Infectious Disease, University of Oklahoma Medical Center 1963-1966
4. Associate Professor of Medicine, University of Oklahoma Medical Center 1966-1972
5. Assistant Professor of Microbiology, University of Oklahoma Medical Center 1966-1972

6. Professor of Medicine and Adjunct Professor of Microbiology, University of Oklahoma Health Science Center 1972-1982
7. Chief, Infectious Disease Section, University of Oklahoma Medical Center 1968-1982
8. Chief, Infectious Disease Service University Hospital, 1975-1982
9. Director, Indian Health Service, 1982
10. Assistant Surgeon General, USPHS 1982

AWARDS AND HONORS:

Zeta Psi Scholarship to an Indian Student, Lafayette College 1949-1952
John Hay Whitney Opportunity Fellowship 1952-1956
Polio Foundation Fellowship 1954
Student Research Achievement Award 1956
Outstanding Achievement Award, Veterans Administration Hospital, Oklahoma City, Oklahoma 1960, 1961
Unit Citation Award, Wilford Hall USAF Hospital 1965
Air Force Certificate of Merit 1967
Markle Scholar in Academic Medicine 1967-1972
Kiowa Tribal Black Legging Society (Veterans Honor Society)
Outstanding Achievement, Association American Indian Physicians
Oklahoma Lung Association Wonder Worker Award 1974
Oklahoma Lung Association Breath of Life Award 1977 (Highest Award of OLA)
U.S. Public Health Service Recognition Award 1977
National Honor Lecturer of Mid-America State Universities Association of 1979
Association of American Indian Physicians Award of Excellence 1980 (Aug)
Public Health Service Commendation Medal 1982
Public Health Service Citation 1983
Public Health Service Meritorious Service Medal 1985
Thomas N. Lynn Lecturer, University of Oklahoma 1984
Richard A. Kern Award, Association of Military Surgeons, US 1988
Surgeon General's Exemplary Service Award 1988
DHHS Chief of Staff Special Commendation 1989

BIOGRAPHICAL LISTINGS:

Directory of Medical Specialists
Dictionary of International Biography 1973
Who's Who in South and Southwest, 1973
American Men and Women of Science
Indians of Today
Contemporary American Indian Leaders
Reference Encyclopedia of the American Indian
Voices. A History of the Kiowa Tribe

COUNCILS, BOARDS, And PROFESSIONAL COMMITTEES:

Research and Education Committee, V.A. Hospital 1972-1973
Vice-Chairman 1975-1977, Chairman 1977 -
Infection Control Committee, V.A. Hospital, Chairman, 1972-1982
Infection Control Committee, University Hospital, Chairman, 1972-1982 -
Faculty Advisory Committee, Department of Microbiology, 1971
Nominating Committee, Scientific Assembly on Microbiology (Chairman)
American Thoracic Society, 1975
Advisory Committee, Department of Medicine, 1975
Biohazards Committee, University of Oklahoma Health Sciences Center 1976 -
Admissions Committee, University of Oklahoma College of Medicine 1977-1981
National Advisory Allergy and Infectious Disease Council (NIH) 1971-1975
National Advisory Council on Minority Business Enterprise 1970-1972
Board of Directors, Association on American Indian Affairs 1970-1982
Board of Directors, Progress Association for Economic Development,
Oklahoma City 1973-1975
Board of Directors, Oklahoma Lung Association 1975-1982
Board of Directors, Central Oklahoma Indian Health Project 1972-1982
(Chairman, 1976)
National Committee on Vital and Health Statistics (USPHS) 1978-1982
Editorial Board - Public Health Reports 1982 -
Secretary's Task Force on Black and Minority Health (Dept. HHS) 1984-1985
Secretary's Interagency Task Force on Indian Alcoholism (Chairman) 1986
Flag Officer Nomination Board, USPHS (Chairman) 1988 -
Nominating Committee for Chief Pharmacy Officer, USPHS (Chairman) 1988
USPHS Executive Task Force on AIDS 1988
Dept. of HHS Task Force on Reduction of Demand for Illicit Drugs 1988

SOCIETIES AND ORGANIZATIONS:

Phi Beta Kappa
Alpha Omega Alpha
Sigma Xi
American Federation for Clinical Research 1970-1982
American Society for Microbiology 1970-1982
American Thoracic Society 1963-1982
American College of Physicians Fellow, 1963-present
Southern Society for Clinical Investigation 1968-1982
Infectious Diseases Society of America, Fellow 1974-present
Oklahoma Thoracic Society - 1966-1982 (President 1973-1974)
Oklahoma Infectious Diseases Society, 1978-1982
Air Force Society of Internists & Allied Specialists 1961-1966
Commissioned Officers Association (USPHS) 1982-present
Association Military Surgeons U.S. 1982-present
National Congress of American Indians, 1967-1982
Association on American Indian Affairs, (Board of Directors, 1967-1982;
vice president, 1978-1982)
Association of American Indian Physicians (President 1972 & 1976)
Kiowa Tribal Black Legging Society, (Veterans Honor Society), 1967-
present; (consultant to Commander, 1970-1982)
Kiowa Gourd Clan, 1970-present

John Porvaznik, M.D., F.A.C.S. is a board-certified general surgeon with 27 years of service as a Public Health Service (PHS) Commissioned Officer. He is a graduate of Dartmouth College and Harvard Medical School, and received his surgical training at the Massachusetts General Hospital. His PHS career has included positions as Chief of Surgery at Tuba City, Arizona (1962-65 and 1970-76), Fort Defiance, Arizona (1966-70 and 1976-78), and Gallup Indian Medical Center, New Mexico (1978-86). During many of these years he held concomitant positions as Service Unit Director at Tuba City and Fort Defiance, and from 1981-1984 he was the Acting Director of the Navajo Area Indian Health Service (IHS).

He also held the positions of Senior Clinician for Surgery of the IHS 1976-87, and Medical Director of Emergency Medical Services of the IHS 1980 through the present. In this latter role he has provided international consultation to Saudi Arabia, Egypt, and the Caribbean basin countries.

In June 1987 he transferred to Rockville in the position of Associate Director, Office of Health Programs and Chief Medical Officer of the IHS.

Mr. YATES. All right, Dr. Rhoades, what is the state—or let me put it another way: has the state of the health of the Indian people improved since you were last here?

Dr. RHOADES. Yes, sir, Mr. Chairman.

Mr. YATES. Remarkably, or just "inchingly?"

Dr. RHOADES. Significantly——

Mr. YATES. Good.

Dr. RHOADES [continuing]. Perhaps not remarkably. The progress in the direction of improved health for Indian people generally, reflected in life expectancy, mortality rates for certain conditions to fall——

Mr. YATES. Like diabetes?

Dr. RHOADES. Not diabetes. Diabetes perhaps has fallen by 10 percent, but that's probably not significant in the long——

Mr. YATES. Which have fallen?

Dr. RHOADES. The conditions that have fallen most dramatically have to do, first of all, with maternal death rates, infant death rates.

Mr. YATES. Just because you have more clinics that they can go to?

Dr. RHOADES. No——

Mr. YATES. Prenatal care?

Dr. RHOADES. No one knows exactly what is the specific cause of a benefit. I think there's general agreement in the medical community that the Indian Health Service approach with community orientation, comprehensive services, targeted as you've just suggested, toward prenatal care and perinatal care, the care that's given around the time of delivery. What is almost surely responsible for more benefits in infant mortality than those clinical services, is the genius that was expressed on the part of Congress in 1959 in the passage of what we call the 121 legislation, which was the authorization for the Indian Health Service to provide safe water and sanitation facilities. In my opinion and in the opinion of many people, that has been most responsible for the elimination of the wards that used to be present in all of our hospitals for taking care of gastroenteritis of infants. Those have all disappeared.

Mr. YATES. What about gastroenteritis for adults?

Dr. RHOADES. For?

Mr. YATES. Adults.

Dr. RHOADES. Not near the problem as in past years. The overall mortality rate for gastroenteritis two or three years ago in fact fell below that for the rest of the population, gastroentroritis among Indian people. There are still concerns, of course, related to pathogenic organisms that are present in water, and we still have a ways to go to supply adequate water, safe water, to all Indian homes. There are certain conditions that come in cycles about which not a lot of information—about which not all the information that would be desirable to have is available.

For example, hepatitis A is actually a gastroenteric infection also. It appears to be on the increase in the upper mid-plains, particularly in the Aberdeen area. This tends to be cyclic every seven

to ten years, and it looks like we're on an upswing at the present time.

There are a couple of vaccines that are available, not yet tested for efficacy in Indian populations, but I believe very likely there may be studies that take place in the next few years that will have a fairly substantial effect, I believe, on this large contributor to morbidity at least from gastroenteric diseases.

One of the things, to return to your question about what are the things that are getting better for Indian people, that is most gratifying to me personally and as Director, is that a good deal of the destructive behavior—in fact, the mortality associated with that does continue to come down. Homicides, in fact, are coming down in Indian populations. Injuries—deaths associated with injuries are coming down. Deaths associated with alcoholism are coming down. I find that to be——

ALCOHOLISM

Mr. YATES. Really? What about Gallup, New Mexico?

Dr. RHOADES. I don't have data clearly at hand about that small population, but——

Mr. YATES. Have you seen the documentary they had on alcoholism in Gallup, New Mexico?

Dr. RHOADES. I'm sorry to say I did not see the documentary, but it is familiar to me. I'm quite familiar with the current interest in Gallup.

Mr. YATES. This is the transcript. We will make the transcript of that documentary available to you. I must tell you that it was shockingly graphic. There seems to be no cure for it. One would get the impression that it's not getting better; it's getting worse, at least in Gallup.

Dr. RHOADES. I can't deny that there's a great epidemic that is taking place at Gallup at this moment, and the data that are associated with Gallup probably suggest that it is not getting better. The solution, in my opinion, is on the reservation and not in Gallup, not that one should not direct one's attention to anything that's going on in Gallup as well. It will take some period of time. By "some period of time," I mean perhaps another generation or so.

I do believe—medically I believe that we have within our grasp the possibility of eradicating alcoholism as a significant, as a substantial health problem for Indian communities.

Mr. YATES. Why don't you organize some AAs?

Dr. RHOADES. AAs are—let me back up one step. In fact, your question implies—

Mr. YATES. That there aren't——

Dr. RHOADES. I'm sorry. Your question implies that perhaps Indian Health Service should be the one—let me put some words in your mouth—that Indian Health Service should establish AA chapters, let's say. I'm not sure that's what your question intended.

Mr. YATES. Well, anything that stops the rate of alcoholism I think would be welcome.

Dr. RHOADES. Yes, that is correct. The point I want to make, however, is that the approach that Indian Health Service has taken

and is taking is that the role of the Indian Health Service in relationship to alcoholism and some of those other destructive things is substantially different from the role of the Indian Health Service in past decades.

What is going to be essential to success in the communities is that the tribes establish the AA chapters, not the Indian Health Service.

Mr. YATES. Right.

Dr. RHOADES. That's a very important distinction. We have a role in that obviously.

Mr. YATES. That's right.

Dr. RHOADES. A substantial one.

Mr. YATES. In suggesting it.

Dr. RHOADES. And, in fact, there are many, and the success rate of AA chapters in Indian communities appears to equal that of AA chapters in non-Indian communities.

Mr. YATES. It occurs to me that this plague, this catastrophe, because it is a catastrophe in many areas such as Gallup, came with the white man. Did the Indian people before the advent of the white man have this kind of intoxicating spirits?

Dr. RHOADES. My understanding is that certain Indian tribes, certainly in the Southwest and perhaps in Mexico, employed fermented sugars, but only in a ceremonial sense, and there's no evidence whatsoever to suggest that alcoholism as we know it today was present in Indian communities prior to the advent of white civilization.

Mr. YATES. Is it possible to persuade the Indian people, then, that alcoholism is the fault of the white man and they ought to go back to the life of their ancestors, at least as far as this is concerned?

Dr. RHOADES. It's——

Mr. YATES. Has this effort been made?

Dr. RHOADES. Yes, that effort has been made, with——

Mr. YATES. Mixed results?

Dr. RHOADES [continuing]. With certain modifications. To interject a personal aspect to that, I do not believe it would be useful to place blame or to say that it's the fault of the white person. The reason why I say that is because in many aspects of Indian life, I think we all have observed, that it is very detrimental from a standpoint of health, in my opinion, for Indians to regard themselves as victims, even though that may be a true statement. Indians that believe themselves to be victims are going to behave like victims. I think that's going to increase the difficulty for individual Indian people to take over their own life, take charge of their own life, even under very unsatisfactory conditions.

But, in fact, one of the things that I have seen—and it's particularly true in the—well, it's true in all of what I would call our perhaps traditional Indian alcohol treatment programs, those that were formulated in the National Institute of Alcohol and Alcohol Abuse, and that came over to the Indian Health Service since about 1977 or 1978.

I think it is a true observation that the development of Indian cultural values and participation in those programs is, in fact, increasing and, in fact, plays a very great role in helping people to

deal with whatever it is that people need to correct or add to their own life in order to withstand the ravages of alcohol.

Mr. YATES. Did you this year give us the charts that you usually give us on the condition of the——

Dr. RHOADES. Yes, sir. I did not bring the requisite 15 copies because they're not numbered, but I will be glad to make them available. I have a few here in which we numbered the pages in case you wanted to refer to some pages. I'd be glad to share them.

Mr. YATES. Well, I'd like to see them.

Dr. RHOADES. Surely. The first few pages are the standard organizational aspects of the Indian Health Service.

HOSPITAL CONSTRUCTION

Mr. YATES. Forty-three hospitals? How are you doing with building hospitals and clinics? Are we giving you enough money for that? We're going over the budget every year to help you modernize clinics and perhaps build a couple of hospitals. Did OMB approve any construction of clinics or hospitals this year?

Dr. RHOADES. We have in the request for 1991 funds to complete the construction at Pine Ridge Hospital, I believe is the only one. I'm sorry, let me ask Mr. Pearson to address that.

Mr. PEARSON. Mr. Chairman, there's $3.156 million in the President's budget this year, and that would do a phase II out of three phases of the construction of the Pine Ridge Hospital.

Mr. YATES. Why don't you build 2 and 3? How much would 2 and 3 cost?

Mr. PEARSON. It's an additional $12.92 million for——

Mr. YATES. Is that the reason you're only building phase II?

Mr. PEARSON. Yes, sir, that's primarily it. It's a matter of a tough decision.

Mr. YATES. How many years has Pine Ridge been waiting for a hospital?

Mr. PEARSON. Many years.

Mr. YATES. And have you overcome the dispute that existed respecting the number of beds that ought to be in the hospital?

Mr. PEARSON. Yes, we have.

Mr. YATES. You have?

Mr. PEARSON. We have, and we have found a good site. It's obtained full clearance, archeological clearance and historical clearance, et cetera.

Mr. YATES. Have you started on it?

Mr. PEARSON. We have the design—it's almost completed, sir. We expect the design now to be completed in May or June.

Mr. YATES. Do you have any construction money?

Mr. PEARSON. Yes, we do. You have given us construction money for Pine Ridge. You gave us $11.037 million before. The $3.156 million we're requesting now will be enough to carry us into fiscal year 1992, at which time we would need additional monies to fund the completion of the hospital.

Mr. YATES. All right. Suppose we were to give you enough money, provide enough money, for construction of phase III as well. Would

that permit the hospital to be completed, or would that permit the construction of the hospital to be completed in fiscal year 1992?

Mr. PEARSON. We're projecting award of a contract in June and we expect that construction will be completed in the middle of calendar year 1992. It would probably change——

Mr. YATES. Construction to be completed in 1992.

Mr. PEARSON. Completed in the middle of calendar year 1992.

Mr. YATES. Calendar year 1992?

Mr. PEARSON. Calendar year 1992.

Mr. YATES. That's the middle of 1993, then if you delay phase III?

Mr. PEARSON. The end of 1992. It will be closer to——

Mr. YATES. That's fiscal year 1993.

Mr. PEARSON. That's correct.

Mr. YATES. Well, that's your projection? That's based on the amount of money you anticipate receiving?

Mr. PEARSON. That's correct.

Mr. YATES. I think my question really was directed to the point as to whether, if we gave you the money you need to complete it, could it be done within fiscal year 1992?

Mr. PEARSON. Yes, sir.

Mr. YATES. It could?

Mr. PEARSON. It would be an estimated three months or four months faster.

STAFFING OF PINE RIDGE

Mr. YATES. Three or four months faster? All right, and what about facilities and staffing? At what point do you start on that?

Mr. PEARSON. Perhaps you would want to address the issue of staffing. The hospital would be completed in fiscal year 1992. The staff I'd assume, would be included in the President's budget for fiscal year 1992.

Mr. YATES. What about the question of staff residences or dormitories? Is that part of the construction budget?

Mr. PEARSON. Yes, sir. You have provided to us $571,000 for design and $988,000 to complete the design and to do some preliminary site work. We have accomplished that. The design is almost completed or well along the way. We're trying to schedule the—project the construction in such a way that we'll have the houses available. We do not have construction funds at this time for the Pine Ridge quarters.

Mr. YATES. Do you anticipate that the area itself will be such as to obstruct the obtaining of adequate staff? Will the housing be—will you be able to provide staff, or will you experience the same problem we've had in other rural places; the staff just didn't like the location or didn't like the housing or didn't like the operating rooms or the facilities and, therefore, that particular location had problems in getting staff? Do you anticipate that happening here?

Dr. RHOADES. Mr. Chairman, the ability to recruit and retain staff is one of those complicated subjects in which a great number of factors come to bear, including those that you've pointed out: rural, remote locations; availability of other amenities in the com-

munity; and housing. We believe that generally those can be overcome or minimized.

Mr. YATES. At Pine Ridge?

Dr. RHOADES. Yes, sir, at Pine Ridge as well as in others. I'm not aware of a specific problem at Pine Ridge at the moment.

Mr. YATES. So you don't anticipate that will be a difficulty here?

Dr. RHOADES. Let me put it this way: it will not be easy. It will be difficult because it's difficult. I'm not aware of anything that would make Pine Ridge more difficult at the moment than similar places.

PINE RIDGE HOSPITAL

Mr. YATES. All right. Will this be a complete hospital? Will you have operating rooms? Will you have facilities for recovery of patients, so that patients will not be required to go to another hospital for an operation at some point?

Dr. PORVAZNIK. Yes, it will be in the class of a general community hospital, so that general surgery can be performed there. When you say, "Would they have to go to another hospital," it would be similar to many of the other general hospitals that we have in the Indian Health Service, such as Tuba City which you saw. The more tertiary types of surgery would still have to be referred out to the——

Mr. YATES. What's a "tertiary type?"

Dr. PORVAZNIK. Well, some specialized surgery, perhaps.

Mr. YATES. Cancer or something?

Dr. PORVAZNIK. Maybe far advanced cancer. I'm thinking more like neurosurgery, urology, specialized orthopedics, ophthalmology.

Mr. YATES. Where would patients have to go for tertiary surgery?

Dr. PORVAZNIK. Most likely they would go to Rapid City.

Mr. YATES. Rapid City, which is how far away?

Dr. PORVAZNIK. Sixty, 70 miles, something like that. But the general community hospital can take care of those kinds of things that usually have to be taken care of on the spot for the great majority of surgical conditions that we would see.

Mr. YATES. That's Pine Ridge. Pine Ridge is taken care of; right? Is there any obstacle—no, she shakes her head.

What's not in the budget? For phase II in the budget?

Mr. PEARSON. We have phase II construction in the budget, which is an interim project, Mr. Chairman.

Mr. YATES. You asked for 15.7 of OMB and they only gave you $3 million; right? So, the $12 million you're talking about was for phase II, wasn't it?

Mr. PEARSON. That's correct.

Mr. YATES. You wanted to finish it and it should be finished. How many years has this hospital been questioned and pending for Pine Ridge?

Mr. PEARSON. Many years.

Mr. YATES. Many years.

Mr. PEARSON. Many years.

Mr. YATES. You were not an admiral when this started?

Mr. PEARSON. That's correct. [Laughter.]

Mr. YATES. Were you an ordinary seaman? [Laughter.]

Mr. PEARSON. I was down at Pine Ridge as a lieutenant JG myself, sir.

Mr. YATES. How many years ago was that?

Mr. PEARSON. That was 26 years ago at Pine Ridge as a lieutenant JG.

Mr. YATES. And you needed a hospital then?

Mr. PEARSON. Yes, sir.

Mr. YATES. So, 26 years later, OMB is still arguing about finishing the hospital; right?

Mr. PEARSON. Well, at this time I don't think anyone is really arguing too much about it. We're well on our way.

Mr. YATES. OMB just wants to phase it out a little longer?

Mr. PEARSON. We stretched the construction out somewhat in order to have more money available for medical care.

Mr. YATES. I see. Okay. In order to have more money available for medical care? Do you have adequate funding for medical care?

Dr. RHOADES. Let me answer that, Mr. Chairman. The answer is that we do not.

Mr. YATES. How much money do you need for medical? We're talking still about Pine Ridge?

Dr. RHOADES. Oh, no, I'm sorry, I shifted into——

Mr. YATES. When he talked about medical care, I assumed we were still talking about Pine Ridge.

Dr. RHOADES. I'm sorry.

RESOURCES FOR MEDICAL CARE

Mr. YATES. You're talking about general medical care for the whole Indian community?

Dr. RHOADES. That's correct.

Mr. YATES. Let's see what OMB did to you. Well, now on clinical services—what do you mean by "medical care" first? Do you mean clinical services?

Dr. RHOADES. Let's call it clinical services plus preventive.

Mr. YATES. Plus preventive? All right. But you got what you asked for from OMB, where, as I see it, you asked for $1.084 billion for clinical services and they gave you $1.114 billion, and then the total of Indian Health Services medical care is $1.256 billion and they gave you $1.278 billion. What's lacking in that figure? How much is lacking?

Dr. RHOADES. Mr. Chairman, let me catch up to you. I don't have quite the table that I think that—if I could just inspect just for a moment. A point of technicality, first of all, Mr. Yates: the table that you've handed me here does not contain the Indian Health Service request. It contains the——

Mr. YATES. I thought the first column did.

Dr. RHOADES. No, sir, that's the request to the Department.

Mr. YATES. All right. Oh, I see, you asked your boss for $1.615 billion; right? I think maybe we have the right figure now. The amount that you asked your Department for is $1.615 billion; right?

Dr. RHOADES. I don't have it right in front of me just like that, but I'm sure that that's approximately correct—or is correct. I don't mean approximately.

Mr. YATES. Is that figure correct?

Dr. RHOADES. Yes, sir.

Mr. YATES. All right, and then what happened? Your Department knocked you down.

Dr. RHOADES. As you know——

Mr. YATES. You need to bring your senior officer in with you. This year you haven't done that. I usually harry him a little. Is that the reason you didn't bring him in?

Dr. RHOADES. No, sir, I hope not, and I hope it doesn't mean that—well, in fact, I'm the senior officer present.

Mr. YATES. I know you're the senior officer present.

Dr. RHOADES. You might keep that in mind.

Mr. YATES. You're not the senior officer in the Department.

Dr. RHOADES. That's correct.

Mr. YATES. All right.

Dr. RHOADES. The——

Mr. YATES. How much money did you lose from your Department that you asked for?

Dr. RHOADES. We requested the $1.6 billion, as you point out. The request for clinical services, the Department approved $1.048 billion of that amount.

Mr. YATES. So you lost $600 million?

Dr. RHOADES. I'm sorry, Mr. Chairman, the $1.615 billion is a total amount for the Indian Health Service budget. For clinical services, I need to——

Mr. YATES. Look at another table?

Dr. RHOADES. Our table is constructed somewhat different from your table.

Mr. YATES. Let me ask you the question: how much money did you ask your Department for for medical services?

Dr. RHOADES. Our request overall was $1.615 billion.

Mr. YATES. For medical services?

Dr. RHOADES. For services, yes, everything except construction; yes, sir.

Mr. YATES. Mr. Pearson said that, rather than putting the money into Pine Ridge construction, you decided to put the money into medical services. Okay, that being true, tell me about the figures for medical services and how were you treated about that? You indicated you weren't treated very well for medical services. I'm trying to find out how much you asked of your Department for medical services.

Dr. RHOADES. $1.615 billion was Indian Health Services request.

Mr. YATES. All right. The Department gave you what?

Dr. RHOADES. $1.210 billion.

Mr. YATES. So you lost $400 million in the Department; correct? Then you went to OMB. What did OMB give you?

Dr. RHOADES. $1.278 billion.

Mr. YATES. Do you mean they raised it over the Department?

Dr. RHOADES. Yes, they did increase it.

Mr. YATES. But you're still short, then, is what you're saying? Is that correct? Are you short?

Dr. RHOADES. The term "short"——

Mr. YATES. Is a relative term.

Dr. RHOADES. Yes, sir.

Mr. YATES. But, if you asked for a billion six in the first instance, it was probably a low figure to start with, wasn't it?

Dr. RHOADES. No, sir, I don't believe it was a low figure. It was our best estimate——

Mr. YATES. Of what you needed?

Dr. RHOADES. That's correct, based upon our analysis.

Mr. YATES. You knew that you were going to have to have budget constrictions?

Dr. RHOADES. That's correct.

Mr. YATES. Okay, but you never anticipated you would be cut by $400 million? Having been cut—is that correct, you were cut by $400 million for medical services? Isn't that correct?

Dr. RHOADES. Yes, that's correct.

Mr. YATES. Okay. What was cut? What services will you have to cut as a result of losing $400 million?

Dr. RHOADES. We have general clinical services provided, I guess I would say, traditional doctor-type services in our hospitals and in our clinics, and also services purchased through contract health care; in addition, a number of preventive health services. Those all were diminished as a result of the——

Mr. YATES. $400 million worth?

Dr. RHOADES. No.

Mr. YATES. Will you give us the amounts that they were diminished? The sum total will make up $400 million?

Dr. RHOADES. It might be more useful if I were to prepare that for the record. I have it available, but I have an extensive list here I have to sort through.

Mr. YATES. Okay.

Which were the major cuts then? I'd like that for the record. I'd like to know what the major cuts were.

[The information follows:]

[Dollars in thousands]

	FY 1991 initial IHS request	FY 1991 pres. budget	Difference
Hospitals and health clinics	$848,685	$757,988	($90,697)
Maintenance and repair	12,577	12,420	(157)
Dental	53,250	36,000	(17,250)
Mental health	40,766	22,798	(17,968)
Alcoholism	49,962	34,880	(15,082)
Contract health care	337,155	250,794	(86,361)
Total, clinical services	1,342,395	1,114,880	(227,515)
Sanitation	35,291	27,576	(7,715)
Public health nursing	20,949	16,462	(4,487)
Health education	8,490	5,196	(3,294)
Community health representatives	105,785	32,826	(72,959)
AK immun./hepatitis screening	586	1,188	602
Total, preventive health	171,101	83,248	(87,853)
Urban	13,050	14,129	(1,079)
Indian health manpower	22,599	12,600	(9,999)
Tribal management	8,679	4,131	(4,548)

[Dollars in thousands]

	FY 1991 initial IHS request	FY 1991 pres. budget	Difference
Direct operations	58,112	49,936	(8,176)
Grand total, IHS	[1] 1,615,936	[2] 1,278,924	(337,012)

[1] Includes AIDS request of $2,249,000.
[2] Includes AIDS request of $1,013,000.

Dr. RHOADES. The major cuts in hospitals and health clinics, our basic medical care program.

Mr. YATES. In the treatment of Indian people?

Dr. RHOADES. That's correct. Contract——

Mr. YATES. Contract care. But that's also treatment of Indian people?

Dr. RHOADES. That's correct.

Mr. YATES. So their treatment will suffer as a result of the loss of $400 million, will it not?

Dr. RHOADES. We will not be able to provide as many services as we would otherwise; that is correct.

Mr. YATES. Can you tell us what services will be lacking as a result of this cut?

Dr. RHOADES. You see, that's where we get into difficulty. I can't give you a list of specific services that would be lost. Fewer patients would be served. The array—I would not expect a severe or substantial diminution in the kinds of services that are provided.

Mr. YATES. All right, why will fewer patients be served? Will you not have as much staff? Will you have to fire staff who ordinarily take care of the Indian people?

Dr. RHOADES. We would not expect that we would have to fire staff as a result of this.

STAFFING NEEDS

Mr. YATES. Are you behind in your staffing now?

Dr. RHOADES. Yes, we could use more staff.

Mr. YATES. How significantly are you behind in your staffing?

Dr. RHOADES. I would have to, once again, Mr. Chairman, look at the total number displayed and calculate that amount that is for staff. We have that in our database. I don't have it available at this moment.

Mr. YATES. If my calculation is correct, you were cut 25 percent. That's—if I may use the vernacular, that's a hell of a cut, 25 percent, isn't it?

Dr. RHOADES. That certainly doesn't mean that the existing program is going to be diminished by that amount. That is——

LEVEL OF NEED FUNDED

Mr. YATES. Why isn't there a connection between the amount of money provided and the amount of services given?

Dr. RHOADES. The request that the Indian Health Service put together originally was a request designed to bring the overall level of resources available to Indian people from the approximate neighborhood of 70 percent that we have at the present time up

closer to 100 percent. So, it would represent an advance. It would not represent a decrease from where we are at this moment necessarily.

Mr. YATES. How much—what level did you have in the current fiscal year, 70 percent? Is that what the amount is that's available for you in the current fiscal year?

Dr. RHOADES. Based upon our estimates of needed services across the country for the last two or three fiscal years, our estimate is that we are reaching about 70 percent of the target that we would find desirable.

Mr. YATES. Did we provide the money only for 70 percent? Did you ask us for more money last year? How come we only gave you 70 percent? I find that——

Dr. RHOADES. I can't speak to that, of course.

Mr. YATES. I guess we have the same problem you have, our allocation, but I'm told that your level of staffing in the new hospitals is closer to 85 percent.

Dr. RHOADES. That's correct.

Mr. YATES. All right, and 70 percent is for the old hospitals?

Dr. RHOADES. Well, the average would be——

Mr. YATES. That's the average?

Dr. RHOADES. Yes, sir.

Mr. YATES. How low does it get in order to make the average?

Dr. RHOADES. I believe the lowest that we have at the moment—it's not necessarily representing staffing in the hospitals—is about 55 to 57 percent.

Mr. YATES. Now 55 percent?

Dr. RHOADES. Yes, sir, in California.

Mr. YATES. A study—I think you made a study to show, to compare the level of care given to the Indian people with the level of care accorded to non-Indian people several years ago.

Dr. RHOADES. That's correct.

Mr. YATES. All right. And that study at that time showed a significant gap?

Dr. RHOADES. That's correct.

Mr. YATES. Can you tell us what that gap showed?

Dr. RHOADES. That study, Mr. Chairman, was largely based upon finances. It didn't go into morbidity and mortality because that's such a much more difficult examination to make. Basically what that study attempted to do was to compare the per capita expenditure for Indian Health Services through the Indian Health Service with the figures that are available for the average per capita expenditure in the United States for all health care, and a gap was present. I'd be glad to make that available.

Mr. YATES. Do you remember what the gap was?

Dr. RHOADES. The gap—and it depends upon what year one uses as an index to correct for inflation, but I think that study used the year 1982. It's been updated significantly since then.

I believe that a very close approximation was that in 1982 the average amount of money being spent in this country for health care was close to $1,000 for the U.S. population. For the Indian Health Service, it was somewhere around $500 to $600, about 50 percent level spent through the Indian Health Service for Indian care compared with all expenditures in this country.

Mr. YATES. Well, is there Indian care other than the Indian Health Service?

Dr. RHOADES. Yes, quite an amount of care that Indian people obtain outside the Indian Health Service. It's——

Mr. YATES. That you pay for?

Dr. RHOADES. Well, no, I'm sorry. We do not pay for, you see. So that number would be low.

Mr. YATES. How do you know that?

Dr. RHOADES. We know it from personal experience, about four or five years ago we commissioned an oversampling of Indian communities through a study called the National Medical Expenditure Survey, part of the former National Center for Health Services Research, now the Agent for Health Care Policy and Research. We only have information about those Indian people that come into our facilities. To try to get some index of care provided to Indians outside our facilities—for example, a number of Indian people eligible for Medicare and Medicaid never come into the Indian Health Service at all, and many Indians who have private insurance do not come into the Indian Health Service at all.

Mr. YATES. What about urban Indians?

Dr. RHOADES. The data related to urban Indians is likewise deficient in many ways respecting those that don't come into our system. Some have a private insurance. Some have medicare. Many have no care whatsoever.

Mr. YATES. What about the question of—well, the $400 million you said would increase the average care for the Indian people from what to what level?

Dr. RHOADES. I would want to verify this, but my impression is that that would bring the level of care up to nearly 100 percent across the country.

Mr. YATES. $400 million?

Dr. RHOADES. Yes, sir. Interestingly enough, the study that you referred to that identified the gap a few years ago, when converted into dollars, as I recollect, also identified, I think at that time, $350 million as an approximate correction of that difference. So two different techniques have arrived at the vicinity, at least of a few years ago, of $350 to $400 million.

Mr. YATES. Would you put into the record what the increased levels would be if the committee were to appropriate you an additional sum for medical care of $50 million, $100 million, $150 million, $200 million, $250 and $300 million?

Dr. RHOADES. I'd be glad to. I can tell you that data that I've seen recently is that $50 million would bring all areas up to 60 percent level. That 55 percent that was referred to, for example, in California.

[The information follows:]

The following chart depicts the level of need funded (LNF) for Health Services based on several incremental increases.

Increments in millions of dollars	Health services LNF (percent) [1]
Current dollars	62.0
50	66.0
100	69.0

Increments in millions of dollars	Health services LNF (percent) [1]
150	72.7
200	76.0
250	79.6
300	83.0
350	86.5
400	90.0
450	93.5
500	97.0
540	100.0

[1] This represents the level of need funded assuming the FY 1991 Presidents Budget as the base and based on 1988 dollars.

Mr. YATES. It would bring it up to what level?

Dr. RHOADES. Sixty percent.

Mr. YATES. To 60 percent?

Dr. RHOADES. Yes, sir.

Mr. YATES. Does that mean—then you're raising them what, 5 percent?

Dr. RHOADES. That's correct.

Mr. YATES. And then if it were $100 million, it would raised 10 percent?

Dr. RHOADES. I'm not sure that it would follow in a linear fashion. I'd better look at the numbers and see, but we do have the data available.

HOSPITAL AND CLINIC CONSTRUCTION

Mr. YATES. All right. Now tell us what clinics or hospitals ought to be built now.

Dr. RHOADES. Let me refer that to Mr. Pearson who handles that, but let me just say that, like so many other things in our lives these days related to health, a number of questions about construction of facilities have made that a very, very complicated subject as well. For example, as you know, an increasing number of tribes are seeking ways that they can build facilities themselves, and they frequently are not on the priority list of the Indian Health Service, thus creating a dilemma for us because they ordinarily turn to us for staffing.

A few years ago, because of the increased interest on the part of tribes to do that, Congress had largely directed us to make a request to Congress for staffing of those kinds of facilities, provided the tribes and the Indian Health Service had worked together on the specifications for a clinic, and so forth, and provided that the clinic was within the top 15 on our priority list.

Since that time, there has been an ever-increasing number of tribes who are seeking very innovative ways to build their own clinics. It's very frustrating to be in a position to not be able to support them adequately in that regard.

We're sort of caught, as we get caught so often, between the obvious need in a given community with another charge that the Indian Health Service has had over the years, and that is to provide some level of equity across this country. I use that as hopefully a short introduction into Mr. Pearson's recitation now about where we stand in regard to continuing our efforts to prioritize the need for both in-patient and out-patient facilities.

Mr. YATES. Okay, I have a list of them.

After Pine Ridge, what's the next thing you want to fund?

Dr. RHOADES. Let me ask Mr. Pearson to go through it.

Mr. PEARSON. We've given you a copy of the health facilities priority list, Mr. Chairman, and that's an up-to-date version of our priority list. Dr. Rhoades asked if I would mention just one other point dealing with his discussion on the facilities program, and that's that we had put a short moratorium on the priority list recently, as a result of a request to the Senate Select Committee on Indian Affairs.

There have been a number of requests from tribes who are concerned about the possible closure of the in-patient portion of their health facility. They have been expressing concern to the House and to the Senate.

As Dr. Rhoades indicated, there were some tribes who were also presenting alternate innovative ways of getting new health facilities. For example, we've had two tribes come forward and volunteer to build their new facilities totally at their cost and provide them lease free to the Indian Health Service for 10 years. In other instances, they've offered to share the cost on a 50/50 basis, et cetera.

As a result of the concern that was expressed to the Senate Select Committee, they, the committee, indicated they would like to have a hearing last year. The hearing was scheduled and then postponed, and we ended up having a hearing approximately a month or so ago. The Senate asked many, many questions and received a lot of comments from tribes about alternative forms of health care facilities.

We did delay the implementation of the new health facilities priority list until such time as the Senate could have that hearing and give us information as to any particular guidance that they wanted to get to us. We are following through also on your instructions from approximately a year or two ago, when you were concerned that we were not serving some of the Indian people in California and other areas. So we started a revision of the health facilities priority system methodology as instructed by you and the Committee.

We've come up with a couple of revisions of the methodology, and we have sent it out for comments to the tribes and to our area offices. Each time we've gotten some good comments back. We've come up with a third version of it now, and we'll be sending it out for comments hopefully in the next six weeks.

We think that this new one, this new priority system methodology, will not have any built-in bias toward federally-owned facilities; that it will give Indian tribes who are managing their own health facilities and their own health programs, in the absence of a Federal facility, an equal chance to get on a priority list.

Additionally, we think we've included some factors in the methodology that will permit a smaller facility to have an equal chance of getting on the priority list as a larger facility. In the past, the priority system methodology was workload driven, and if the facility needed a large amount of space, it received more points in the methodology.

Under the new system, what is most important is the percentage of space you need and how urgent it is to your overall health care delivery program. We do not have at this time, as you can see, 10 facilities on each of the in-patient/out-patient/staff quarters priority list. After we get this priority list methodology completed, and submitted through administrative channels to the congressional committees, we will, at that time, apply the new priority list methodology and add names to the priority list.

In the meantime, we didn't feel like we were delaying any projects because we do have approximately $520 million worth of deficiencies identified on the existing list.

Mr. YATES. Okay, your list may go into the record at this point.

[The list of priorities follows:]

THE IHS HEALTH FACILITIES AND STAFF QUARTERS CONSTRUCTION PRIORITY LISTS

[May 1990]

Inpatient	Outpatient
Health facilities priority lists:	
*Anchorage, AK	*Parker, AZ (Reprogrammed)
*Pine Ridge, SD	*Belcourt, ND
*Kotzebue, AK	*Taos, NM
*Shiprock, NM	*Tohatchi, NM
*Ft. Belknap, MT [1]	*Ft. Yuma, AZ
*Ft. Defiance, AZ	*Second Mesa, AZ
*Crow, MT	*Pinon AZ [2]
Winnebago, NB [2]	*White Earth, MN
Phoenix, AZ [2]	Montezuma Creek, UT
	Stilwell, OK
Staff quarters priority list:	
*Kotzebue, AK (50 units)	
*Pine Ridge, SD (84 units)	
*Barrow, AK (29 units)	
Belcourt, ND (26 units) [3]	

*Partially funded.
[1] Proposed to be changed to Outpatient Health Care Facilities at Hays and Ft. Belknap.
[2] In FY 1989, funds were appropriated for planning study.
[3] The number of units may be reduced if further review indicates that Bureau of Indian Affairs quarters units are available for IHS use.

ANCHORAGE HOSPITAL

Mr. YATES. What's the next one in line?

Mr. PEARSON. The first one in line on the in-patient facilities priority list is Anchorage, Alaska. In that particular facility, Mr. Chairman, you've given us $14 million which will take us most of the way through the design and the initial site purchase.

Mr. YATES. Where are you going to get the $100 million to build it, though?

Mr. PEARSON. That's a very good question, Mr. Chairman.

Mr. YATES. Thank you. [Laughter.]

LEASE-PURCHASE ALTERNATIVE

Mr. PEARSON. We're looking into that now. At the instructions of the Committee, we have performed a study of a lease-purchase alternative, and we have submitted that study through administrative channels—I understand that, if it hasn't been delivered al-

ready, it will be delivered very soon. The report gives the relative cost of lease-purchasing versus direct Federal funding.

Mr. YATES. I guess over a 30-year period the cost doubles, doesn't it?

Mr. PEARSON. Well, an interesting thing, we had thought it would probably be something like that. But, if you consider the cost of the Federal appropriation financed by T-bills, treasury bills, the direct Federal funding financed over a 30-year period by treasury bills, versus a lease-purchase agreement funded over a 30-year period by bonds that would be federally-guaranteed, and if you gave us the full amount of the funding for the Anchorage Native Medical Center, $137 million, in one year, then direct Federal funding would be the cheapest way to build the facility--direct Federal funding, $137 million.

If, though, you phased that funding over a three-year period, $37 million one year, $37 million the next year, et cetera, it turns out that the lease-purchase becomes just as inexpensive or approximately the same total cost as direct Federal funding. The private bonds that would be sold to finance the facility would be so reliable as a result of the Federal guarantee, that it would be almost the same as financing direct Federal appropriations with treasury bills. So the lease-purchase cost came out approximately equal on a 30-year period when compared with direct Federal funding over a three-year phased construction.

Mr. YATES. Do you have the statutory authority now to enter into lease-purchase agreements?

Mr. PEARSON. No, sir, we don't, and information to this effect is included in the report. These were your questions that prompted us to write the report, at your direction, and the report states that we do not have the authority at the present time for lease-purchase.

The second project on the priority list is Pine Ridge. We've discussed that project.

I don't think I finished the answer to your question with respect to staff. You asked about the staff for the facility.

Ordinarily, we would not request the staff until the year that the facility was going to be opened. So, staffing requirements would be considered at a future date, Mr. Chairman.

Would you like to go through the priority list individually?

Mr. YATES. Well, I think what I'd like you to do is put the amounts of money in the record. Do we have the amounts of money in the record? Put the amounts of money that each of these clinics or hospitals will take.

Mr. PEARSON. Okay, we have that.

[The information follows:]

Date: 4/13/90

Superseding 2/13/90

Projected Costs of Proposed IHS Health Facilities Construction

($000)

Facility	Prior Year Funding	Projected Addtional Costs	Total Projected Costs	Remarks
Anchorage, AK Hosp. 1/	$14,000	$123,785	$137,785	A/E negotiations
Pine Ridge, SD Hosp 2/	$11,037	$16,138	$27,175	Constr. Documents
Kotzebue, AK Hosp 3/	$5,070	$51,202	$56,272	Constr. Documents
Shiprock, NM Hosp 4/	$3,279	$50,396	$53,675	A/E Awarded
Ft. Belknap, MT Facs 5/	$1,105	$10,860	$11,965	Project stalled
Parker, AZ OPD 6/	$743	$7,687	$8,430 *	PJD Development
Kotzebue, AK Pers Qtrs 7/	$2,359	$23,085	$25,444 *	A/E selection process
Pine Ridge, SD Qtrs 8/	$1,559	$12,457	$14,016	Design develop
Barrow, AK Pers Qtrs 9/	$9,651	$7,300	$16,951	A/E selection process
Belcourt, ND Pers Qtrs	$922 18/	$3,478	$4,400 *	PJDQ development
Ft. Defiance, AZ Hosp 10/	$2,204	$43,851	$46,055 *	PJD submitted HQ
Crow, MT Hosp 11/	$1,122	$28,475	$29,597	A/E negotiation process
Belcourt, ND Hosp 12/	$1,142	$18,403	$19,545	A/E awarded
Taos, NM Hlth Ctr 13/	$263	$5,574	$5,837 *	PJD development
Tohatchi, NM Hlth Ctr 14/	$590	$8,735	$9,325	A/E Awarded
Ft. Yuma, AZ Hlth Ctr 15/	$667	$5,953	$6,620	Site selection
Second Mesa, AZ HC	$642	$8,358	$9,000 *	PJD development
Winnebago, NB Hosp 16/	$50	$9,950	$10,000 *	Planning study
Phoenix Indian Med Ctr, AZ 17/	$150	$36,000	$36,150 *	Planning study
Pinon, AZ Hlth Ctr	$890	$11,270	$12,160 *	PJD development
White Earth, MN Hlth Ctr	$970	$9,311	$10,281 *	PJD development
Montezuma Creek, UT HC	$0	$10,000	$10,000 *	PJD development
Stilwell, OK Hlth Ctr	$0	$7,756	$7,756	Site selection
YPRT Centers (Drug Bill)	$4,000	$5,200	$9,200 **	
TOTAL	$58,415	$510,024	$568,439	

a/ Reflects reduction pursuant to P.L. 101-239

b/ Does not include Hospitals - R&I and Energy Packages and Sanitation Facilities which are also part of 1991 request.

1/ Appropriated: $2,000,000 planning--A/E (FY 84), $4,500,000 phase 2 design (FY 87), $5,000,000 site purchase & sitework (FY 88), $2,500,000 complete design (FY 89)
2/ Appropriated: $1,360,000 planning--A/E (FY 84), $9,677,000 Phase I construction (FY 87)
3/ Appropriated: $1,958,000 planning--A/E (FY 86), $3,112,000 planning, design, and Phase I Construction (FY 90)
4/ Reprogrammed: $96,000 for feasibility study from completed projects & $8,200 (rounded) from Browning project (FY 85), Appropriated: $3,175,000 plan & design (FY 87)
5/ Appropriated: $807,000 planning and design (FY 87), $298,000 construction (FY 89)
6/ Reprogrammed: $50,000 for engineering analysis (FY 87), Appropriated: $693,000 planning and design (FY 88)
7/ Appropriated: $652,000 planning and design (FY 88), $1,707,000 planning, design, and Phase I construction (FY 90)
8/ Appropriated: $571,000 planning and design (FY 88), $968,000 Phase I construction (FY 90)
9/ Appropriated: $750,000 planning and design (FY 88), $8,901,000 planning, design, Phase I construction and equipment (FY90)
10/ Appropriated: $2,204,000 planning and design (FY 88)
11/ Reprogrammed: $15,000 Phase II Site Survey (FY 86); Appropriated: $860,000 planning and design (FY 88), $247,000 planning and design (FY 90)
12/ Appropriated: $1,142,000 planning and design (FY 88)
13/ Appropriated: $50,000 planning (FY 89), $213,000 planning and design (FY 90)
14/ Reprogrammed $9,200 for Phase II Site Survey (FY 87), $581,000 planning and design (FY 89)
15/ Appropriated: $667,000 planning and design
16/ Appropriated: $50,000 planning (FY 89)
17/ Appropriated: $150,000 planning (FY 89)
18/ IHS reevaluating need for quarters.

* Preliminary estimate pending completion of final cost estimate by Office of Engineering Services.

** Funded as part of the IHS Substance Abuse Treatment Program. Evaluation and approval of this project was not part of the IHS Priority System process.

Mr. PEARSON. We have that information now, and I could go through it or we could present it for the record.

KOTZEBUE, ALASKA

Mr. YATES. You have the lease-purchase arrangement which you think would be appropriate for Anchorage. Pine Ridge, of course, is already started. What about the others? Have we given you appropriations for the others?

Mr. PEARSON. Yes, you have given us some funds on virtually every project on the priority lists except for two out-patient facilities at the bottom of the out-patient priority list. All of the other projects have received planning money or design money and/or construction money.

For example, the next project, the Kotzebue Alaska Hospital, you've given us over $5 million on that. That will take care of the design, the site purchase, part of the preliminary site work and engineering work, et cetera.

Mr. YATES. How much does Kotzebue cost?

Mr. PEARSON. Excuse me?

Mr. YATES. How much is Kotzebue estimated to cost?

Mr. PEARSON. The total cost will be $56,272,000. We've estimated that could be constructed in phases, so that we could go three-phase construction on that.

Mr. YATES. Are there any others of these like Anchorage which would be good subjects for lease-purchase agreements?

Mr. PEARSON. Well, I'm not really certain of that, Mr. Chairman. I'm sure that probably there are.

Mr. YATES. Do you want to take a look at them and give us a—or is that too tough a job for you?

Mr. PEARSON. Well, it's almost—it might be a matter of a policy decision, more than a feasibility decision, as to if they could be or not. They can be, yes. Any of these facilities could be funded on a lease-purchase arrangement.

I suspect from a financial view that you may reach a point where the projects are so small that the bond market might not be as competitive. A $100 million bond that is guaranteed by the Federal Government is a very competitive bond on the market.

FACILITIES CONDITION

Mr. YATES. All right, thank you on that.

Now page 5 of your additional presentation shows the number of facilities operated by HHS as of October 1, 1989. What's the condition of those? Are any of them so bad that something ought to be done with them?

Dr. RHOADES. I'm sorry, to which ones are you referring, Mr. Chairman——

Mr. YATES. Well, the ones that you have there. You have 127 out-patient facilities; tribal, 325. What's their condition?

Dr. RHOADES. Let me ask Mr. Pearson if he can address that also.

Mr. PEARSON. Well, we have a——

Mr. YATES. Well, Mr. Pearson, look at the health centers first and then school health centers, health stations, Alaska village clin-

ics. What's the condition of each of those? Would you say—all of them need help, don't they?

Mr. PEARSON. Many of them do, Mr. Chairman. Most of our facilities, most of our hospitals and health centers are accredited by the JCAHO, but the facilities are older in many instances and are deteriorating. We implemented an increased program on maintenance and repair, and repair and improvement. You'll see funds in the President's budget this fiscal year for maintenance and repair and for R&I.

ACCREDITATION

Mr. YATES. How many of them are not accredited? How many of the 127 out-patient facilities are not accredited? How many of your tribal facilities are not accredited?

Dr. RHOADES. Mr. Chairman, that is best displayed, the numbers that you ask, on page 7 for health centers, which shows that 85 percent of all, in fact, are accredited, with the most noticeable——

Mr. YATES. Aberdeen?

Dr. RHOADES. Yes——

Mr. YATES. Oklahoma and Phoenix.

Dr. RHOADES. And California; Nashville, of course.

Mr. YATES. Oh, yes. Why are California and Nashville so bad?

Dr. RHOADES. My understanding is that these are all tribally-operated health centers. They have not been as aggressive as the Indian Health Service has in seeking accreditation.

Mr. YATES. Oh? You mean they could be accredited if they sought accreditation?

Dr. RHOADES. I'm sorry?

Mr. YATES. Does that mean that they could be accredited if accreditation was sought?

Dr. RHOADES. Let me correct a statement I just made, a misstatement I just made, Mr. Chairman, on page 7. The reason why California and Nashville are at zero is because this is a list of Indian Health Service-operated health centers. Since we don't operate any in California and Nashville, that's the reason it's at zero. Other than that, I can't speak to the status of the tribally-operated——

Mr. YATES. Why is Phoenix so bad?

Dr. RHOADES. I do not know.

Mr. YATES. Well, can somebody tell us? Mr. Pearson, do you know?

Mr. PEARSON. I'm sorry, sir, I didn't hear——

Mr. YATES. Why is Phoenix only 25 or 30 percent?

Mr. PEARSON. No, I don't know that.

Dr. RHOADES. I don't think we have that data with us.

Mr. PEARSON. We can find out for the record.

Mr. YATES. All right, find out for the record.

Dr. RHOADES. Yes, we'd be glad to.

[The information follows:]

INDIAN HEALTH SERVICE HEALTH CENTER ACCREDITATION STATUS
JUNE 11, 1990

Area	Total	Accredited	Not Accredited	Percent Accredited
IHS	54	49	5	91%
Aberdeen	3	3	0	100%
Alaska	1	1	0	100%
Albuquerque	8	8	0	100%
Bemidji	1	1	0	100%
Billings	7	7	0	100%
California	-	-	—	---
Nashville	-	-	—	---
Navajo	7	7	0	100%
Oklahoma	11	7	4	64%
Phoenix	5	4	1	80%
Portland	11	11	0	100%

Notes:

Total excludes health centers not eligible for accreditation survey and all health centers that are under Tribal management pursuant to P.L. 93-638.

Accredited refers to those health centers accredited by the Joint Commission on Accreditation of Healthcare Organizations.

The above totals represent updated data as of June 1990.

Oklahoma facilities status as follows:

- One facility has applied and is awaiting survey.
- One facility does not have a full time physician and as such does not meet criteria for accreditation at this time.
- One facility was surveyed as a satellite clinic of the parent hospital and is awaiting results from the Joint Commission.
- The remaining facility is working to ready itself for accreditation survey with the plans to seek accreditation within one year.

Phoenix Area facilities status is as follows:

Salt River Clinic is an integral part of the Phoenix Indian Medical Center and is surveyed as a part of the Accreditation survey of the Medical Center. Consequently, the number of eligible facilities in Phoenix is reduced to five.

The remaining facility does not have the required minimum staffing on board at the present time to meet the eligibility for survey. The facility will be surveyed when the staffing level meets the minimum criteria.

INDIAN HEALTH SERVICE HEALTH CENTER ACCREDITATION STATUS
MAY 24, 1990

Area	Total	Accredited	Not Accredited	Percent Accredited
IHS	55	48	7	87%
Aberdeen	3	2	1	67%
Alaska	1	1	0	100%
Albuquerque	8	8	0	100%
Bemidji	1	1	0	100%
Billings	7	7	0	100%
California	-	-	—	---
Nashville	-	-	--	---
Navajo	7	7	0	100%
Oklahoma	11	7	4	64%
Phoenix	6	4	2	67%
Portland	11	11	0	100%

Notes:

Total excludes health centers not eligible for accreditation survey and all health centers that are under Tribal management pursuant to P.L. 93-638.

Accredited refers to those health centers accredited by the Joint Commission on Accreditation of Healthcare Organizations.

The above totals represent updated data as of May 1990.

Mr. PEARSON. Just to continue the answer, the response to your request, Are there many facilities out there that need repair or need replacement, and what shape are they in. The facilities on the facilities priority list are most urgently in need of assistance. The cost is $520 million.

We have probably an equal number of facilities that are applying for assistance, but we have not performed any preliminary engineering on those. We haven't quantified the cost estimates.

DEFERRED MAINTENANCE

Mr. YATES. What's your backlog of deferred maintenance on these?

Mr. PEARSON. Approximately $100 million. We have a backlog of essential maintenance repair items of approximately $100 million.

Mr. YATES. That's on your health centers and on Indian health centers?

Mr. PEARSON. These are IHS and tribal. Mr. Chairman, we're trying to present——

Mr. YATES. Can you stay current on those? Is there any way of staying current so that doesn't grow?

Mr. PEARSON. There is, yes. It would take a significantly larger appropriation in order to stay current.

Mr. YATES. How much is in your budget for that purpose?

Mr. PEARSON. We have $10 million this year, as I recall, Mr.——

Mr. YATES. And what would you need in order to stay current?

Mr. PEARSON. We estimate that, once we get the facilities brought up to par, it will take approximately $32 million per year to stay abreast, to stay up to date.

Mr. YATES. When are you going to bring the facilities up to par?

Mr. PEARSON. We're working our way toward that.

Mr. YATES. Well, what year is par? What's your schedule? You say you're working your way toward it. It's a goal imminently to be desired, I know, but when are you going to reach that goal? What is your schedule for reaching that goal?

Mr. PEARSON. Well, as an engineer and health professional, we keep trying to put all the facts together in such a way that it shows the full extent of the need in hope that when we make our decisions and prioritize between health care and maintenance of facilities, we will be able to make a balanced decision.

Mr. YATES. Mr. Pearson——

Mr. PEARSON. I hope to perform my engineering job well enough in the future that we will have larger budgets.

Mr. YATES. Well, but this Committee is trying to help Indian health. You have just testified that you want to reach par. You have an enormous backlog of deferred maintenance which will continue to grow if adequate provision isn't made each fiscal year.

I'm trying to find out what would this Committee have to do—you say you have $10 million in the budget for this fiscal year, which I take it is inadequate; is that correct?

Mr. PEARSON. Well, it's one of those situations, sir, where there are difficult choices to make on prioritization.

Mr. YATES. No, I know, but still the answer is yes; it's inadequate, isn't it?

Mr. PEARSON. Yes; that's correct, it is inadequate.

Mr. YATES. All right. Let's say you have par for this year. As of now you're going to shoot bogeys. What do you need to shoot par this year?

Mr. PEARSON. We've estimated $32 million——

Mr. YATES. Thirty-two million? Triple the amount——

Mr. PEARSON [continuing]. For repair and improvement.

Mr. YATES. Otherwise, more than $20 million goes into your backlog?

Mr. PEARSON. That's correct.

Mr. YATES. Okay.

Dr. RHOADES. Mr. Chairman, if I might ask your indulgence to violate one of the cardinal principles, I think, and that's offering information. On page 7, I would like to point out that an 85 percent status of accreditation of health centers is far, far greater than for any other system in the United States. This is just another example where the Indian Health Service, working in conjunction with the tribes, is leading this Nation in the accreditation of ambulatory facilities.

I'd like that to be on the record.

Mr. YATES. All right, that's in the record.

How does that help? I assume that helps repair the gap that exists in medical care between the Indian and non-Indian community, but how much does that diminish the gap?

Dr. RHOADES. I don't think one can quantify the effect that that has on the gap that we had identified earlier. Clearly, it does, largely through providing a substantial documentation of a level of quality of care. That's really what that is directed at.

Mr. YATES. All right, let's go back to your backlog. You say your backlog is well over $100 million, isn't it?

Mr. PEARSON. Yes, it is.

Mr. YATES. Your budget says a reasonable backlog would be $20 million.

Mr. PEARSON. That's correct.

Mr. YATES. How are we going to make up the $80 plus million? We've got to make up the $80 plus million for you to shoot par; right?

Mr. PEARSON. That's correct.

Mr. YATES. How are we going to do that?

Mr. PEARSON. Our initial budget request was for $72,540,000.

Mr. YATES. How much was allowed for that?

Mr. PEARSON. $10 million. We're proposing to do this over a prolonged period, and we hope to do our engineering well enough that we can look to an increased budget in the future.

Mr. YATES. But you're not going to get it as long as you have Gramm-Rudman and the budget in the condition it's in, are you?

Mr. PEARSON. It is difficult.

Mr. YATES. All right, where do we move to now? IHS laboratories, that's the next page. You're in pretty good shape on that one, aren't you—or are you?

Dr. RHOADES. Yes, sir, we clearly are in respect, again, to the accreditation status.

CHART SERIES

Mr. YATES. Yes. Well, that's promising. The next page, which is page 9, is promising, isn't it? You've gone up from 9 to 80, which is a level of IHS service population of roughly 800 and—to about 1,000, almost 1100.

Dr. RHOADES. That would be 1,100,000, Mr. Chairman.

Mr. YATES. Oh, this is your population. I'm sorry, I misconstrued that. Oh, you've got many more people to serve now. How come you have so many?

Dr. RHOADES. For that reason, I would describe this more as ominous than promising.

Mr. YATES. I see. That's right. I agree with that. Oh, my, is it better counting of population that's done this or more births or what?

Dr. RHOADES. No, sir, I don't think between 1980 and the projected 1990 is any substantial change in the methodology. The accuracy should remain the same through this.

There are two things that contribute to this in a major way—three things, I suppose. No. 1 is that, as is well known, the birth rate of Indians is greater than that for the rest of the population. This represents an increase of almost 3 percent per year, which is 1.5 or so greater than that for the rest of the population.

As you know also, traditionally one or two new tribes are federally recognized each year, and that number is added to this. And then there are tribes that are very actively enrolling new members into their tribes as well.

This number, probably like all population growth numbers, will accelerate as time goes by. It is for this reason that we were most interested in establishing rules of eligibility back beginning in 1982 and 1983. Until that growth is appropriately dealt with, we are never going to make substantial advances in eliminating that gap.

Mr. YATES. And the next page has population by States, population by age and sex, population by age. Indians don't live beyond 85?

Dr. RHOADES. Well, data are not collected beyond 85, Mr. Chairman. The significant point here, I might add, is that you see where—up to age 20. The solid line is above the dotted line, which means that area between those two lines is the proportion of the Indian population that exceeds that of the rest of the population. Conversely, there are relatively fewer Indians after age 45 or 50; yes, sir.

Mr. YATES. Page 13, yes, that's kind of sad.

Dr. RHOADES. And if I might interject on page 13, I think the significant factor there is that, given these totally unsatisfactory social and economic conditions, the achievements that have been made in Indian health I believe stand out even more sharply. Those achievements have been made against this severe imposition of unsatisfactory social and economic conditions.

Mr. YATES. Birth rates on page 15.

Dr. RHOADES. Which shows the birth rate, 1.6 or 1.7 times greater than that for the rest of the population.

Mr. YATES. Page 19, maternal death rates have come down, haven't they?

Dr. RHOADES. Yes, and you can see, since 1975 or thereabouts, have equalled to or been better than the rest of the population and substantially better than the population in this country described as U.S. other than white.

INFANT MORTALITY

Mr. YATES. Infant mortality, page 20. I wonder, why such a big difference in the 28 days to 11 months?

Dr. RHOADES. That is when infants are residing at home, and two events start in their lives at that point that provide that excess mortality rate. The first is called sudden infant death syndrome. Everyone has heard about SIDS. It remains mysterious. The cause of SIDS remains mysterious. Prevention for SIDS is not known. For some reason not yet understood, there is a great preponderance of sudden infant death syndrome among Indian populations, again like so much mortality of Indian people, localized in those greater northern plains States of Montana, North and South Dakota, and Minnesota. That accounts for an awful lot of this.

A very intriguing suggestion in the medical literature in the last two or three years is that there may be a relationship between cigarette smoking and sudden infant death syndrome. It's very, very tenuous, but it's interesting that that is the distribution, that distribution of the Indian population is also where some of the highest rates of smoking occur in any population in America.

The most tragic thing—there's nothing more tragic than that really, but the next most tragic thing is that this is when children begin dying of injuries.

Mr. YATES. Oh, really, at that age?

Dr. RHOADES. Yes. I should say when they begin dying at an accelerated rate.

Mr. YATES. Your explanations are shown on the next page.

Dr. RHOADES. So you can see the extraordinary contribution to Indian deaths that are made up by accidents from ages 1 up to age 45 years.

And if you're at 65 or older, on page 29, you will see that there is something that appears to be protective. I'm not sure my language is appropriate, but you will notice that, except for influenza and pneumonia and diabetes mellitis, in fact, once Indians have reached their 65th birthday, they die at a rate considerably less than that for the rest of the population. I used to think that perhaps that was survival of the fittest, and, in fact, that might still be the case.

Mr. YATES. Is that because they don't have cholesterol problems?

Dr. RHOADES. We do not know all of the reasons why they seem to be protected against heart disease, but certainly it's tied to cholesterol and triglyceride metabolism in some way. My opinion is that basic research in that general area centered among Indian population would do an awful lot to help understand about heart disease and cholesterol for everyone.

Mr. YATES. Why don't you do it?

Dr. RHOADES. There is an interesting study that is getting underway. As you know, the budget, the research budget for Indian Health Service competes with everything else as well. It is, in fact,

the world's most modest program, but one of the things we've been able to do in the last few years—again, it's very exciting—is to greatly increase collaboration with other Federal agencies such as those at National Institute of Health. In fact, there is a program now that's called the Strong Heart Study, sponsored by the National Heart, Lung, and Blood Institute at NIH, working in collaboration with Indian Health Service and tribes, getting basic epidemiologic information about heart disease in a number of Indian communities. I think some very important information will come from that study in two or three years.

Mr. YATES. You have a great number of interesting statistics here. These may go into the record.

[The information follows:]

INDIAN HEALTH SERVICE

TRENDS IN INDIAN HEALTH - 1990

CHARTS

DIVISION OF PROGRAM STATISTICS

OFFICE OF PLANNING, EVALUATION, AND LEGISLATION

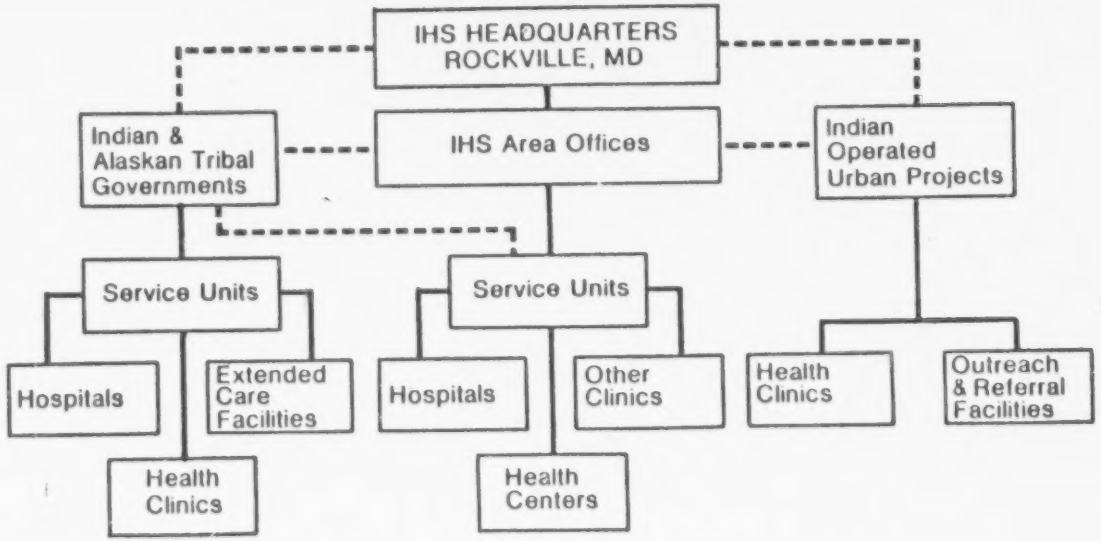
PUBLIC HEALTH SERVICE

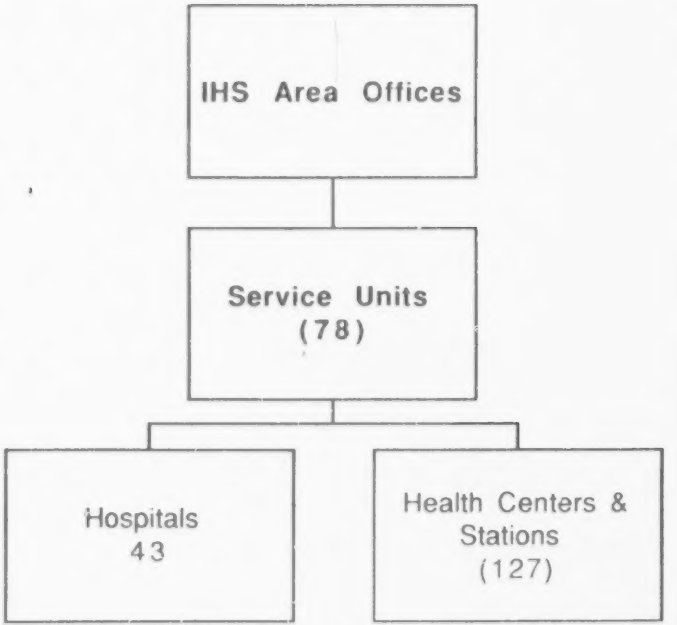
DEPARTMENT OF HEALTH AND HUMAN SERVICES

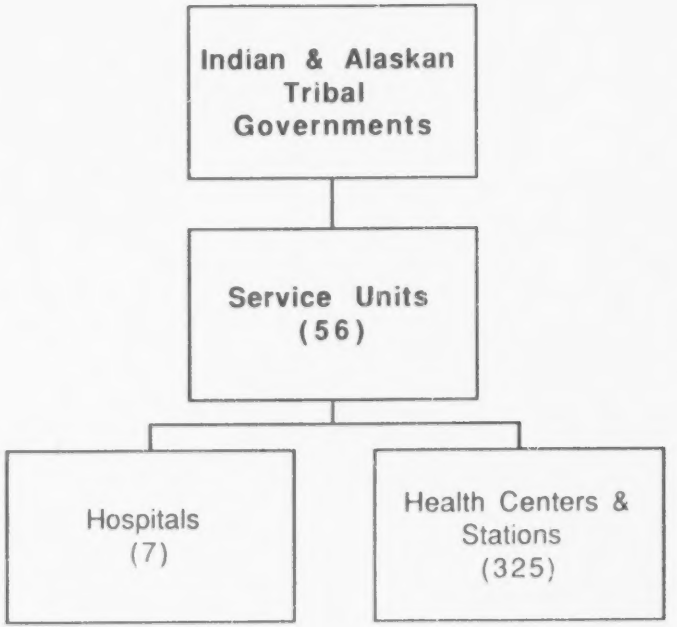
5600 FISHERS LANE
ROOM 6-41
ROCKVILLE, MARYLAND 20857
(301) 443-1180

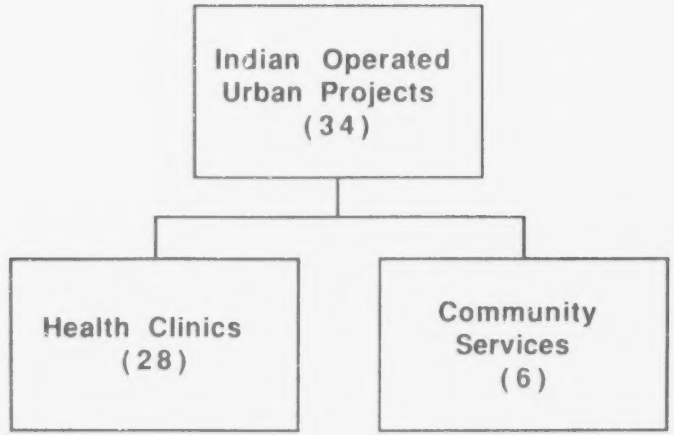
ISSUED: FEBRUARY 12, 1990

Indian Health Service
DHHS/PHS




IHS Area Offices
Service Units
(78)
Hospitals
43
Health Centers &
Stations
(127)

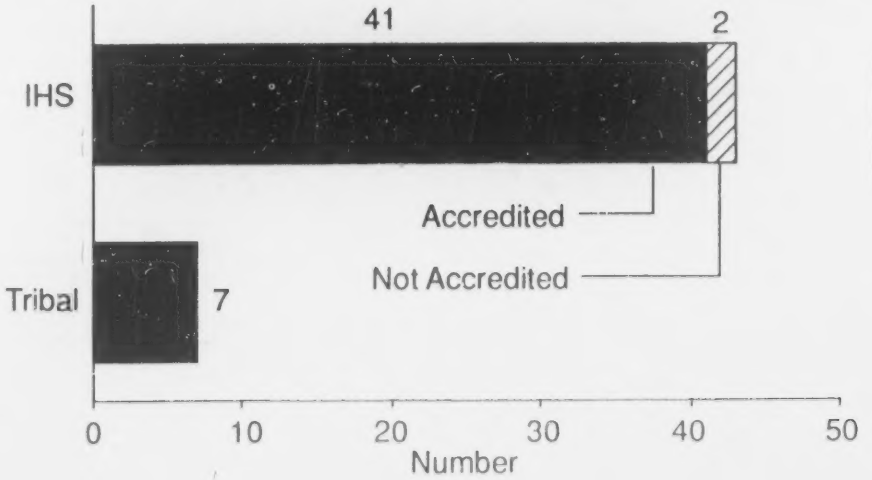

Indian & Alaskan Tribal Governments
Service Units (56)
Hospitals (7)
Health Centers & Stations (325)


Indian Operated
Urban Projects
(34)
Health Clinics
(28)
Community
Services
(6)

Number of Facilities Operated by IHS and Tribes as of October 1, 1989

TYPE OF FACILITY	IHS	TRIBAL
• Hospitals	43	7
• Outpatient Facilities	127	325
• Health Centers	67	86
• School Health Centers	5	3
• Health Stations	55	63
• Alaska Village Clinics	--	173

Accreditation Status of IHS and Tribally Managed Hospitals, January 1, 1990



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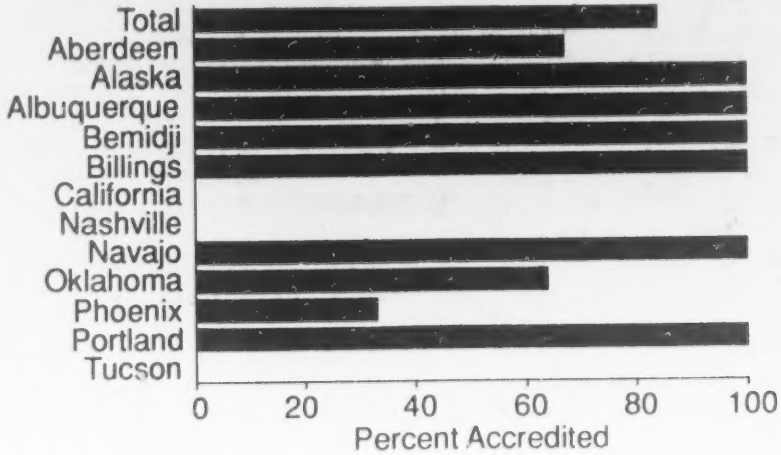
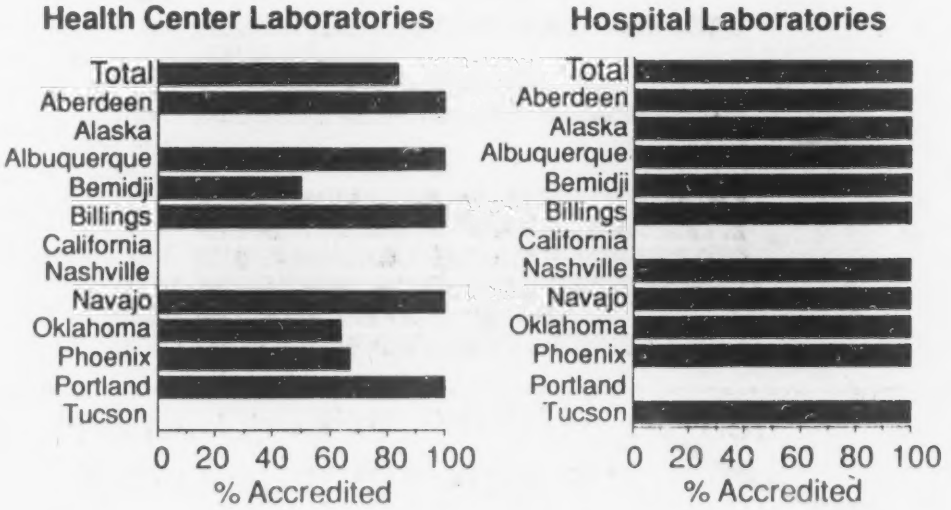
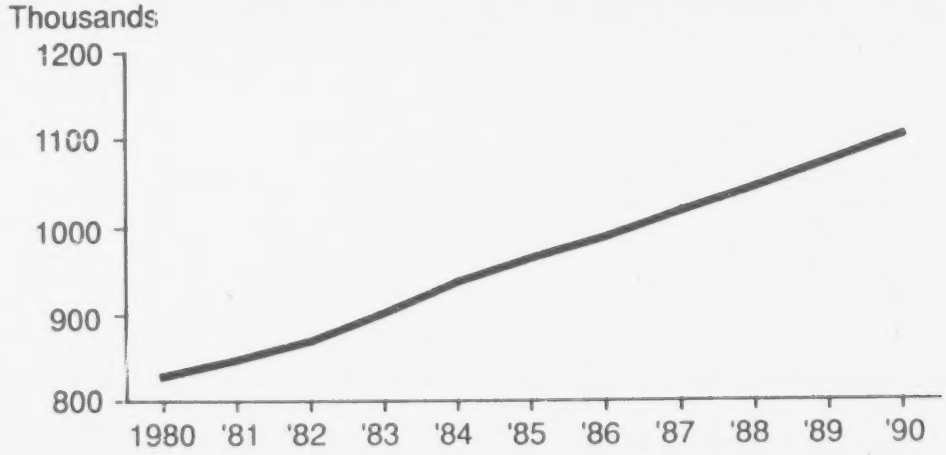
Accreditation Status of IHS Health Centers, January 1, 1990



Accreditation Status of IHS Laboratories

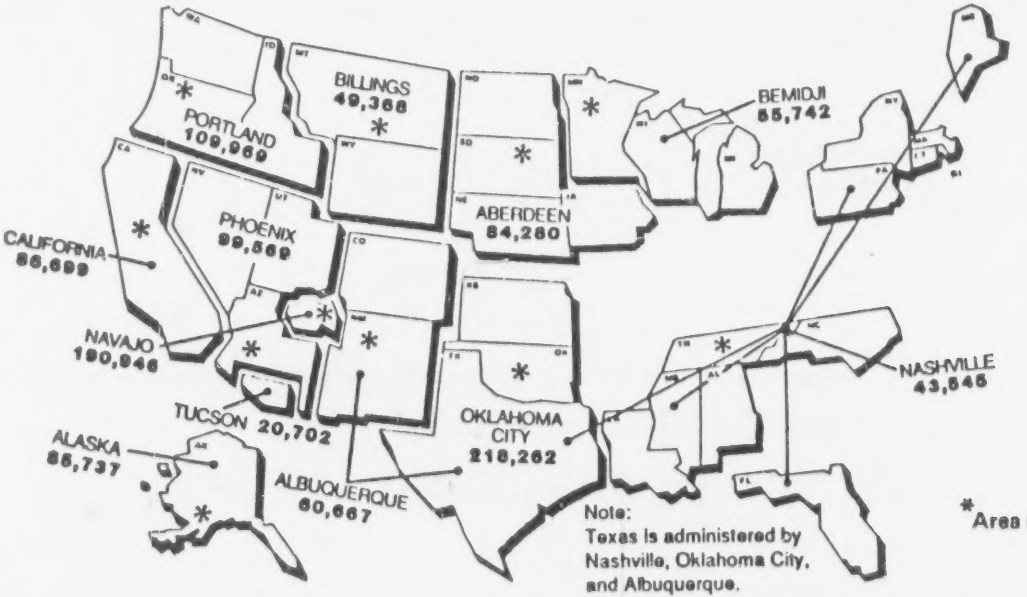


American Indian and Alaska Native IHS Service Population

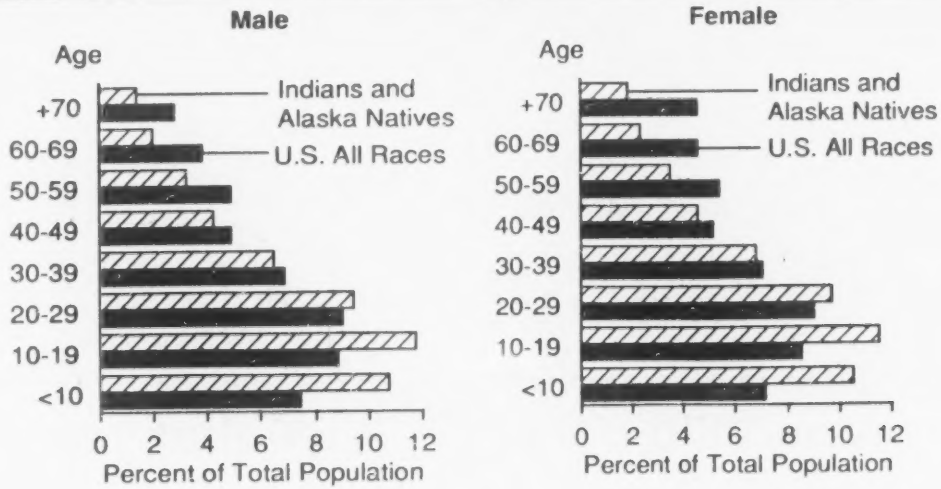


Indian Health Service Population by Area

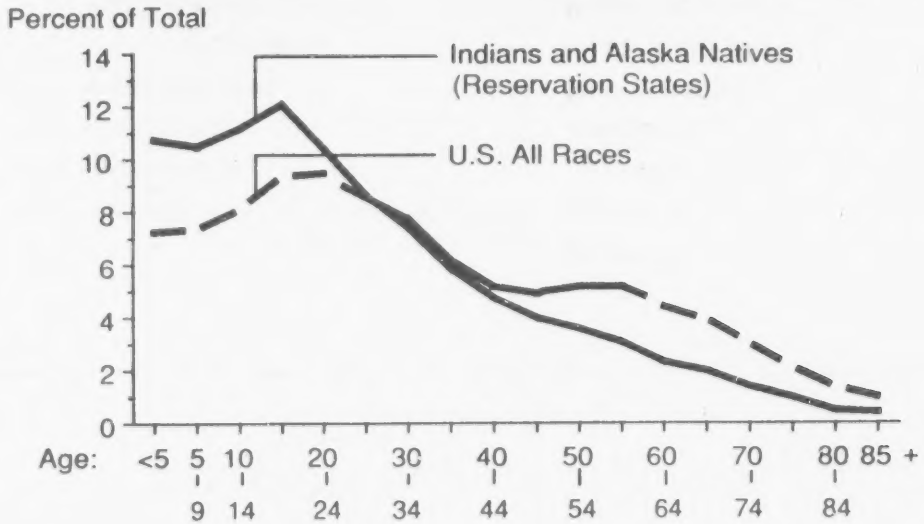
Total Service Population, FY '90 Estimate: 1,105,486



Population by Age and Sex, 1980 Census

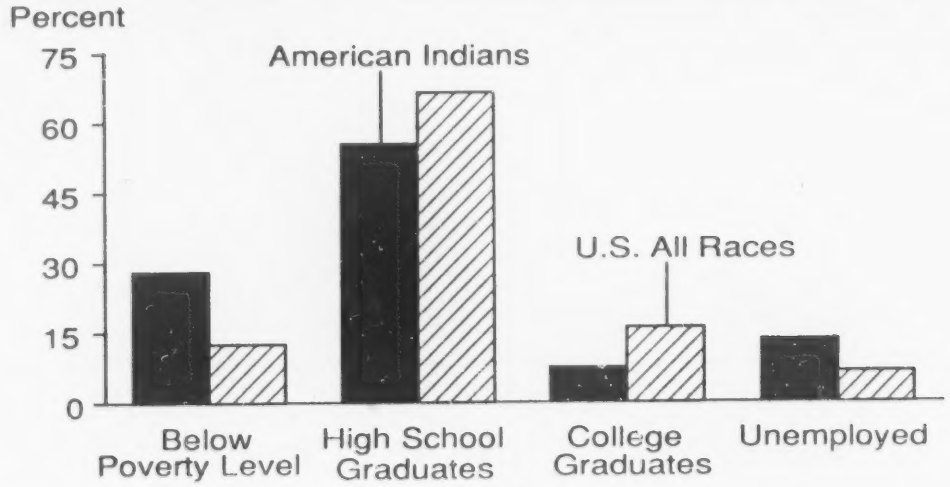


Population by Age, 1980



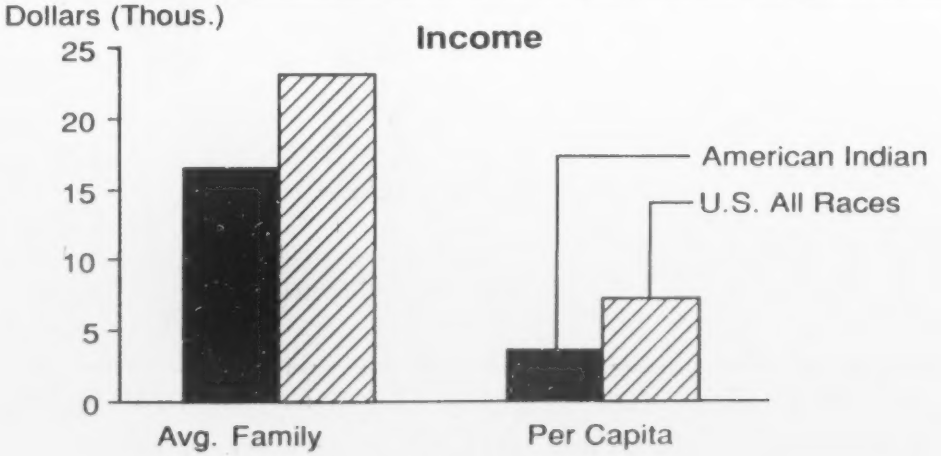
Social and Economic Characteristics

American Indians & U.S. All Races, 1980 Census

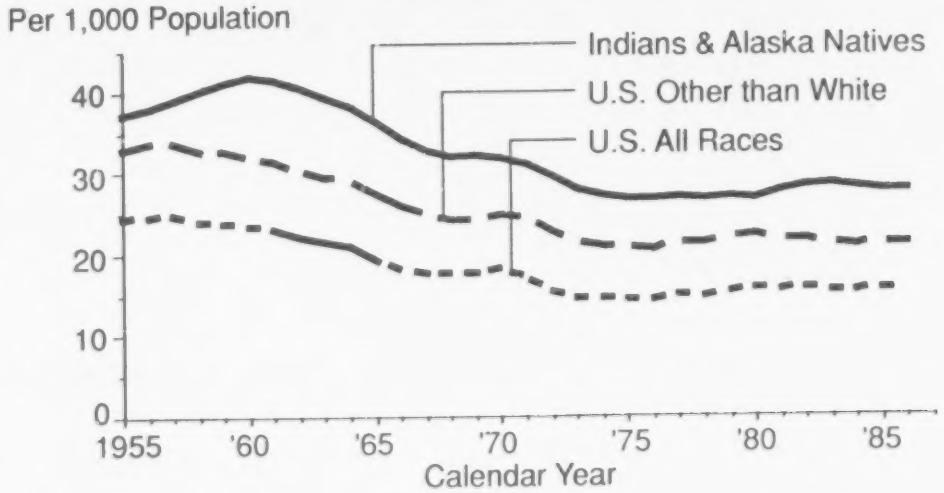


Social and Economic Characteristics

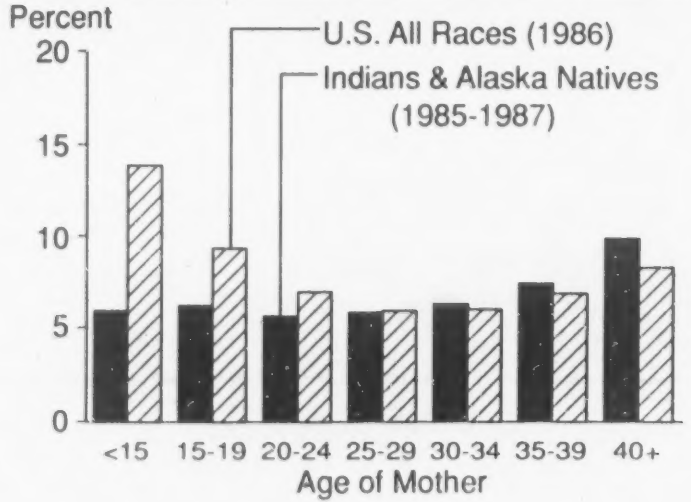
American Indians & U.S. All Races, 1980 Census



Birth Rates

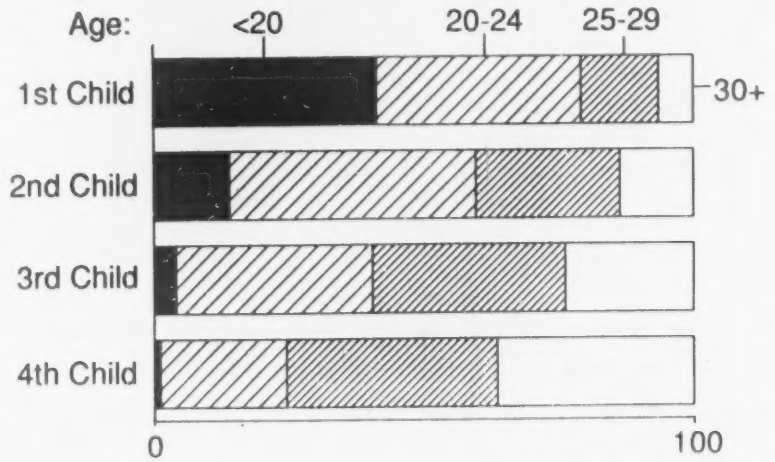

Per 1,000 Population
Indians & Alaska Natives
U.S. Other than White
U.S. All Races
40
30
20
10
0
1955
'60
'65
'70
'75
'80
'85
Calendar Year

Births of Low Weight (<2500 Grams) as a Percent of Total Live Births

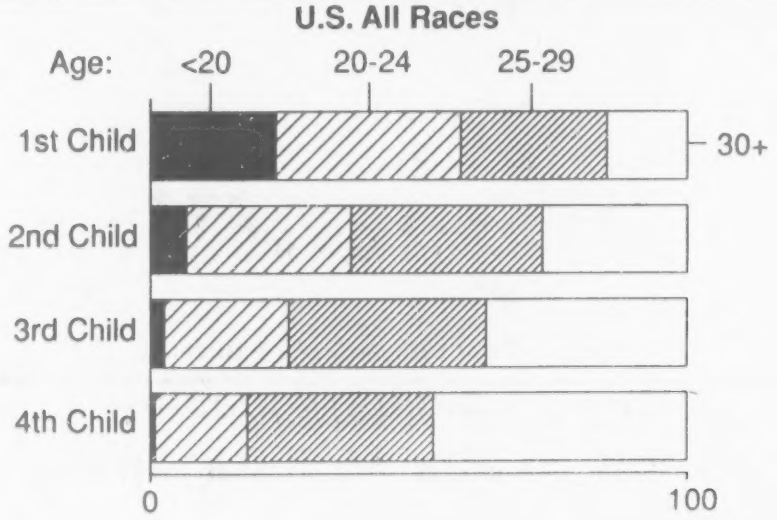


Birth Order by Age of Mother
Percent Within Birth Order

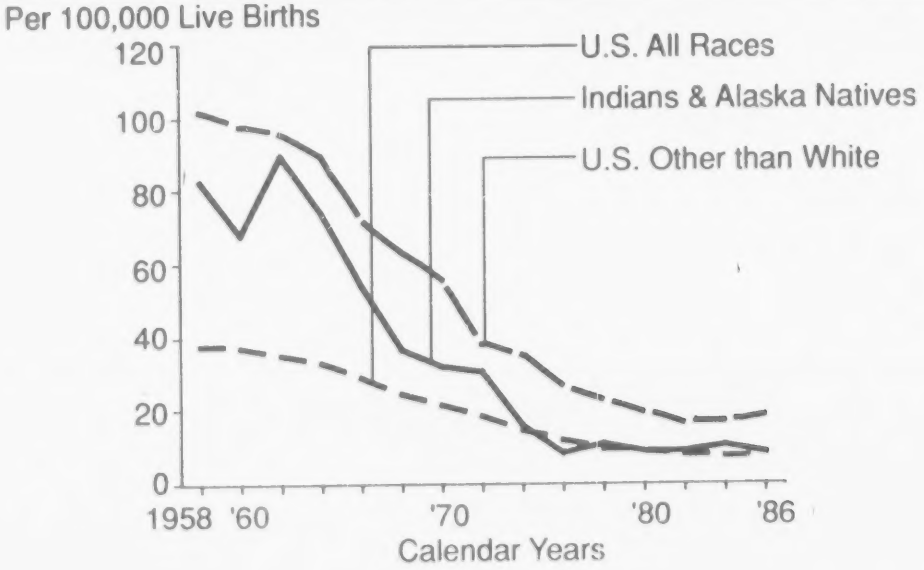
American Indians and Alaska Natives



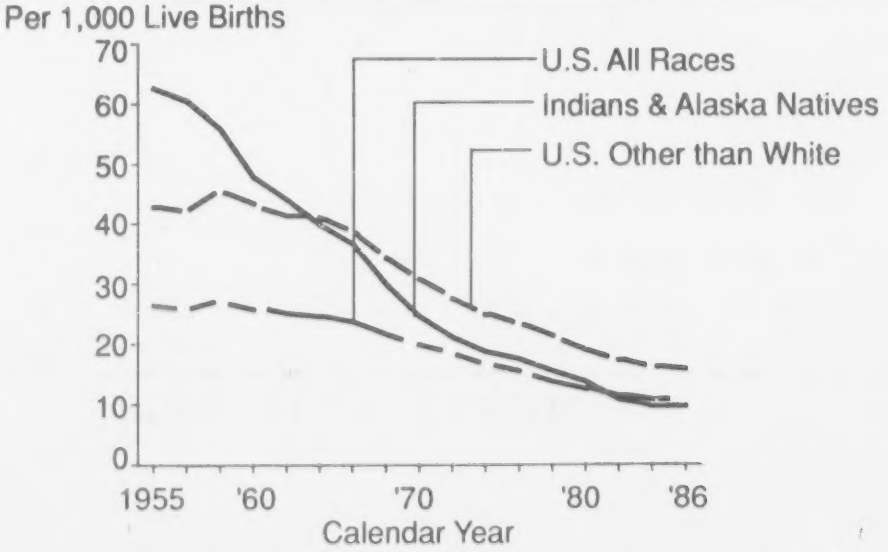
Birth Order by Age of Mother
Percent Within Birth Order



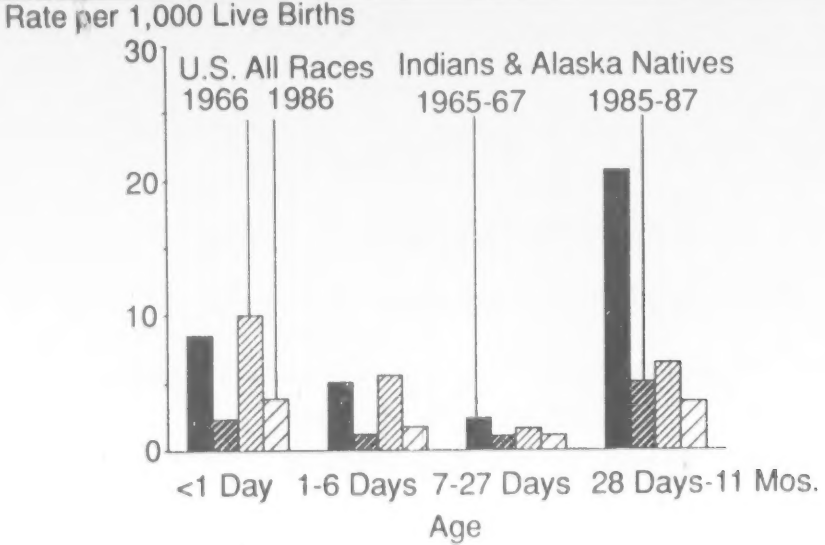
Maternal Death Rates



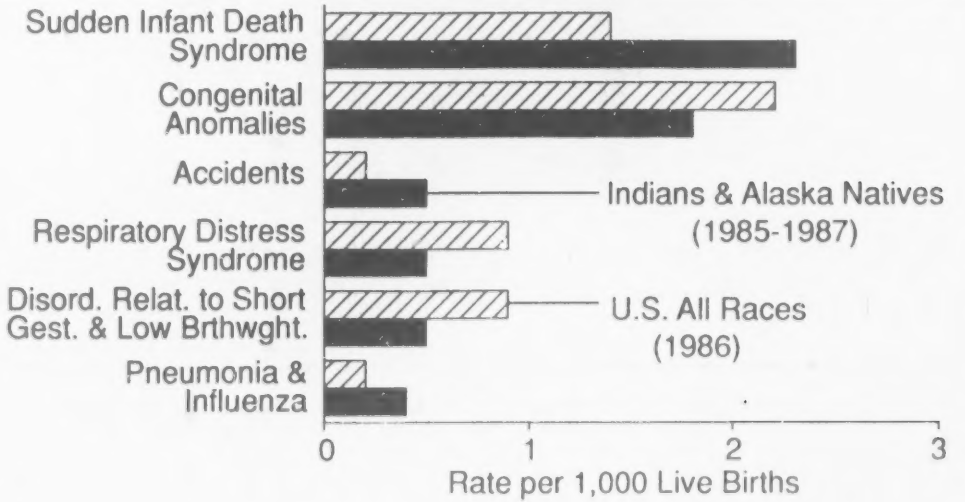
Infant Mortality Rates



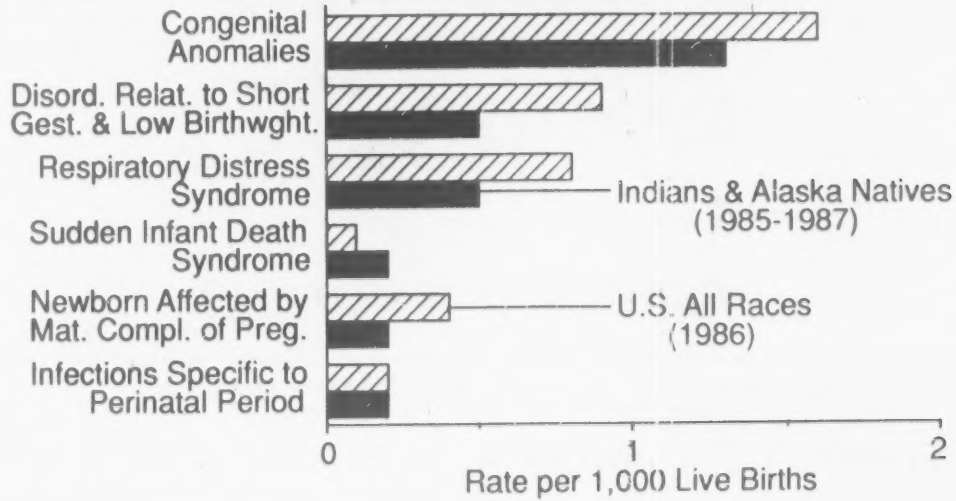
Infant Mortality Rates by Age



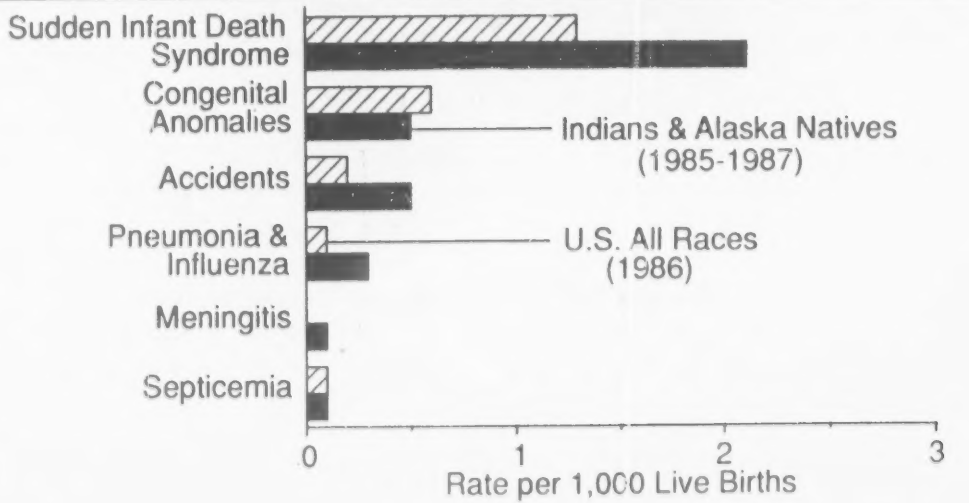
Leading Causes of Infant Deaths
(Under 1 Year)



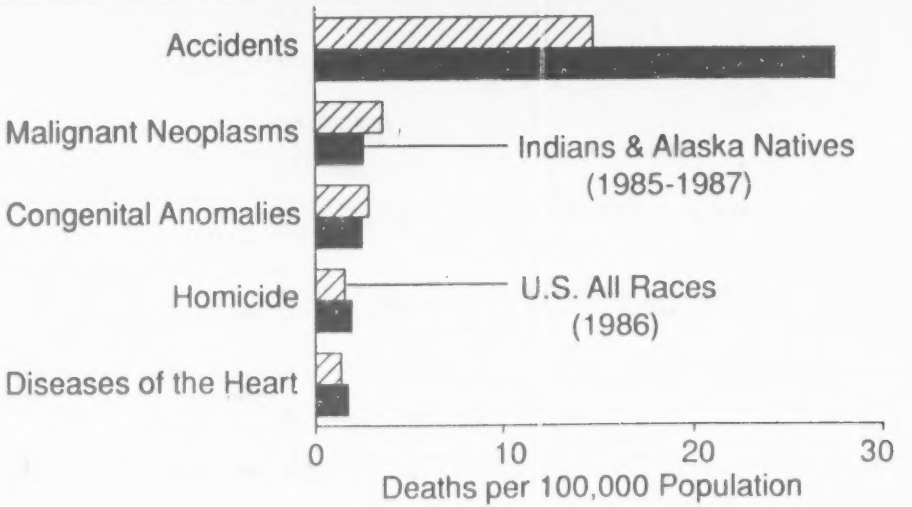
Leading Causes of Neonatal Deaths
(Under 28 Days)



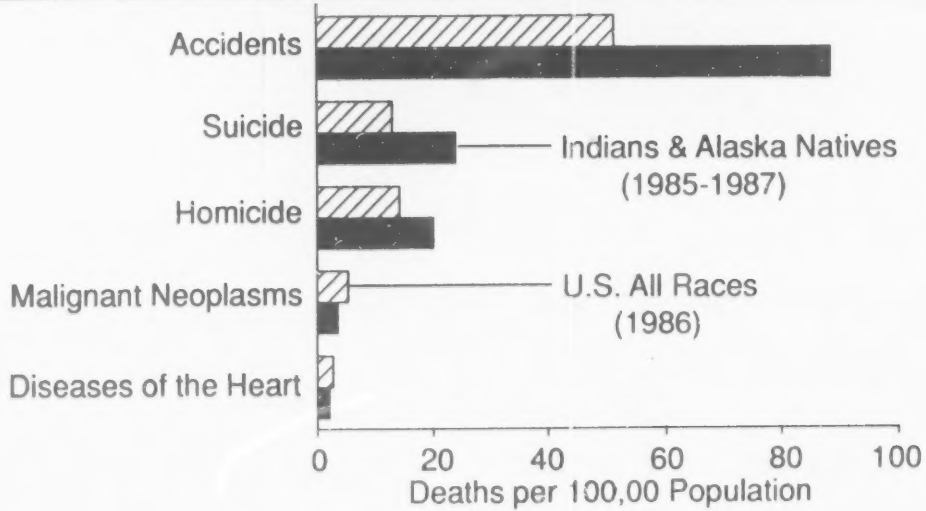
Leading Causes of Postneonatal Deaths (28 Days to Under 1 Year)



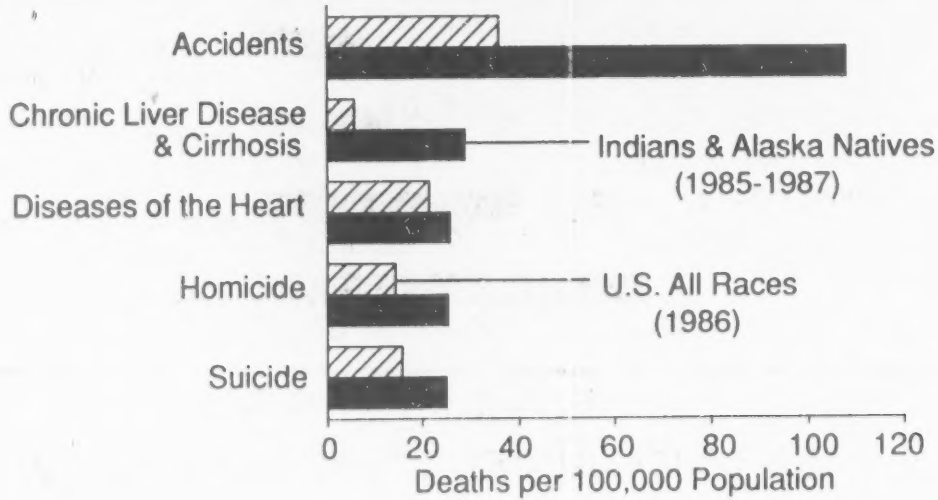
Mortality Rates, Leading Causes:
Ages 1 to 14 Years



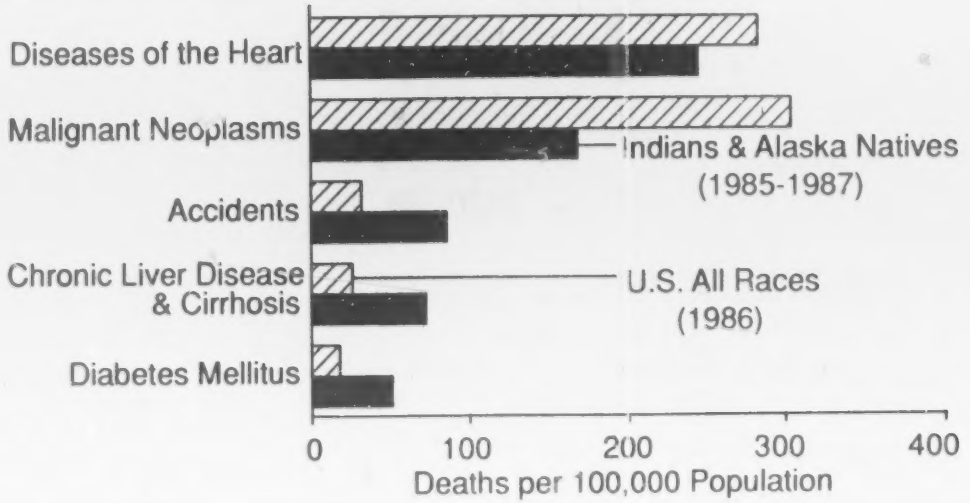
Mortality Rates, Leading Causes
Ages 15-24 Years



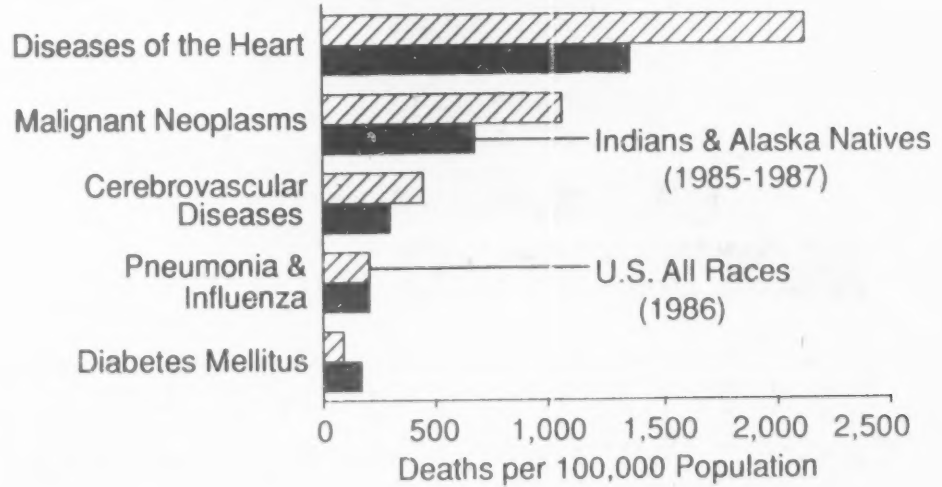
Mortality Rates, Leading Causes:
Ages 25-44 Years



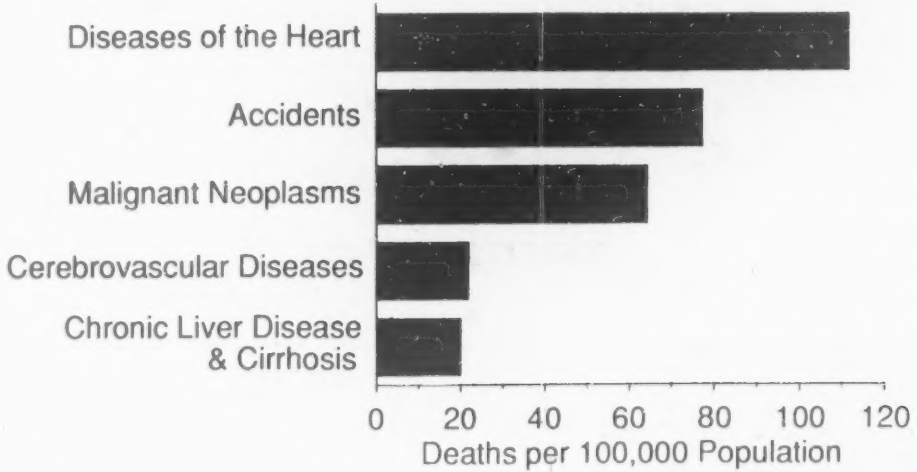
Mortality Rates, Leading Causes:
Ages 45-64 Years



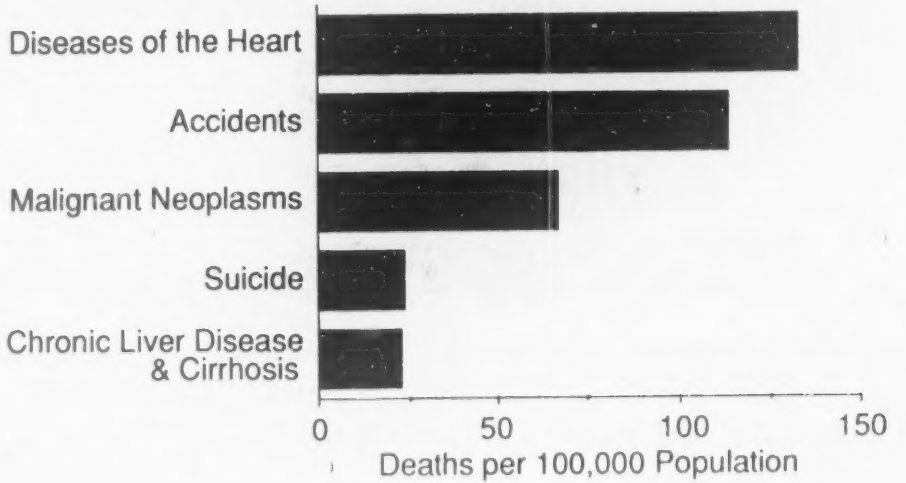
Mortality Rates, Leading Causes:
Ages 65+ Years



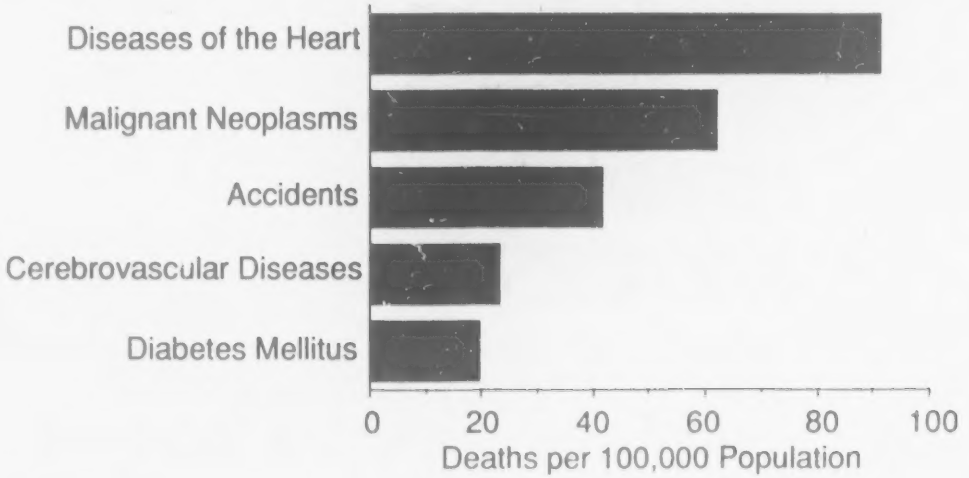
Mortality Rates for Leading Causes
Indians & Alaska Natives (1985-1987)



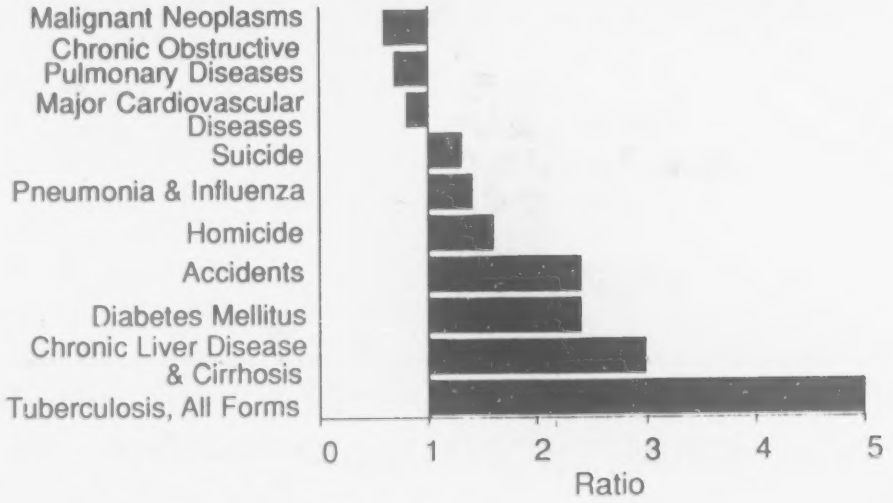
Mortality Rates, Leading Causes: Males
Indians & Alaska Natives (1985-1987)



Mortality Rates, Leading Causes: Females
Indians & Alaska Natives (1985-1987)

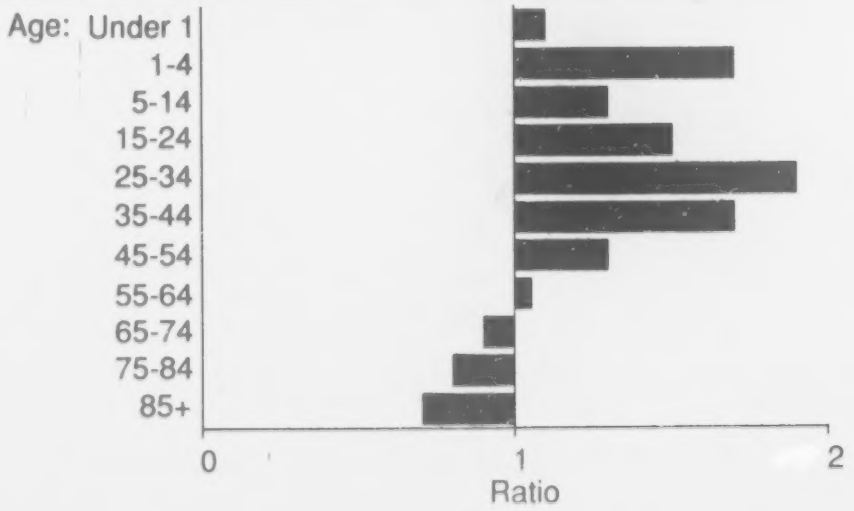


Selected Age-Adjusted Death Rates
Ratio of Indians to U.S. All Races



Age-Specific Death Rates

Ratio of Indians ('85-'87) to U.S. All Races ('86)



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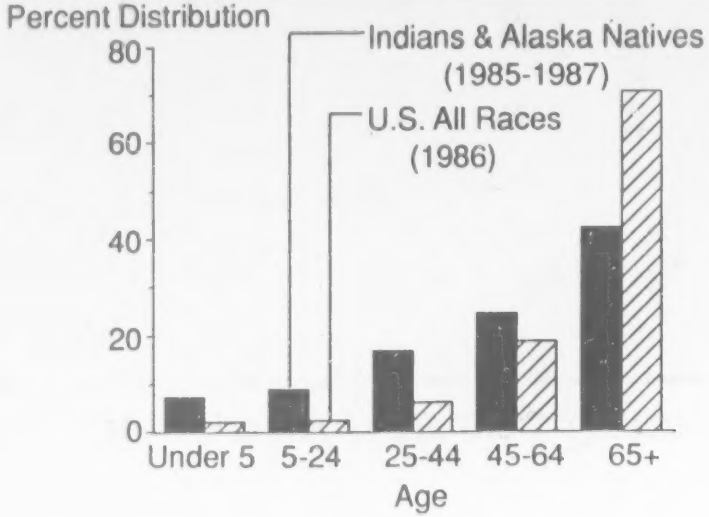
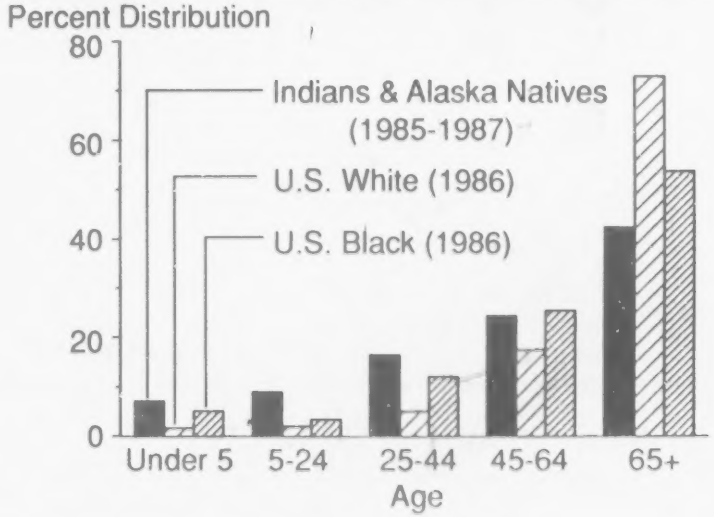
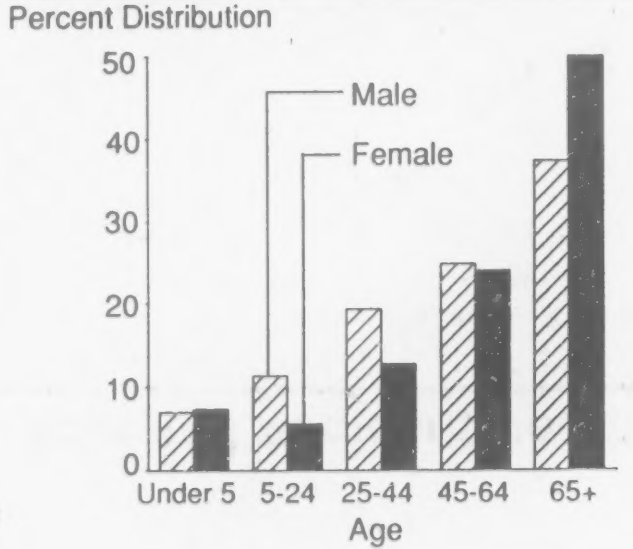
Deaths by Age



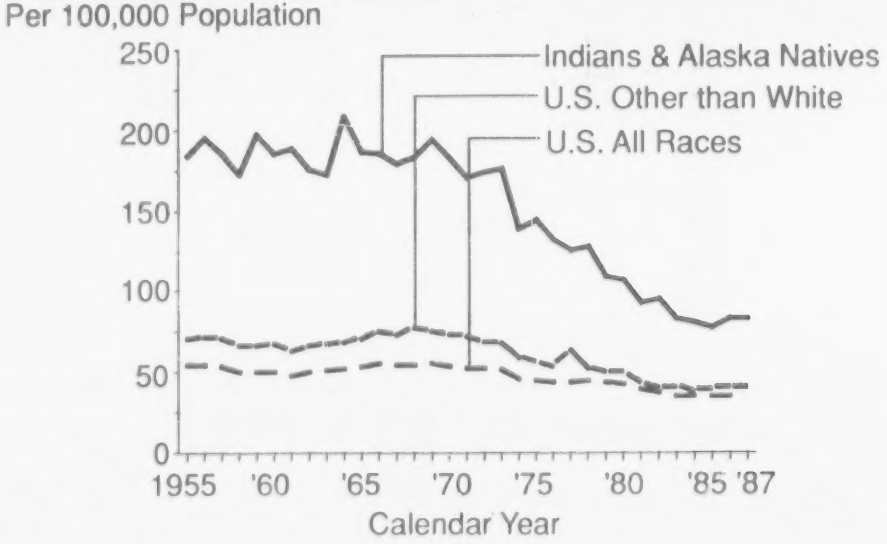
Deaths by Age and Race



Deaths by Age and Sex



Age-Adjusted Accident Death Rates



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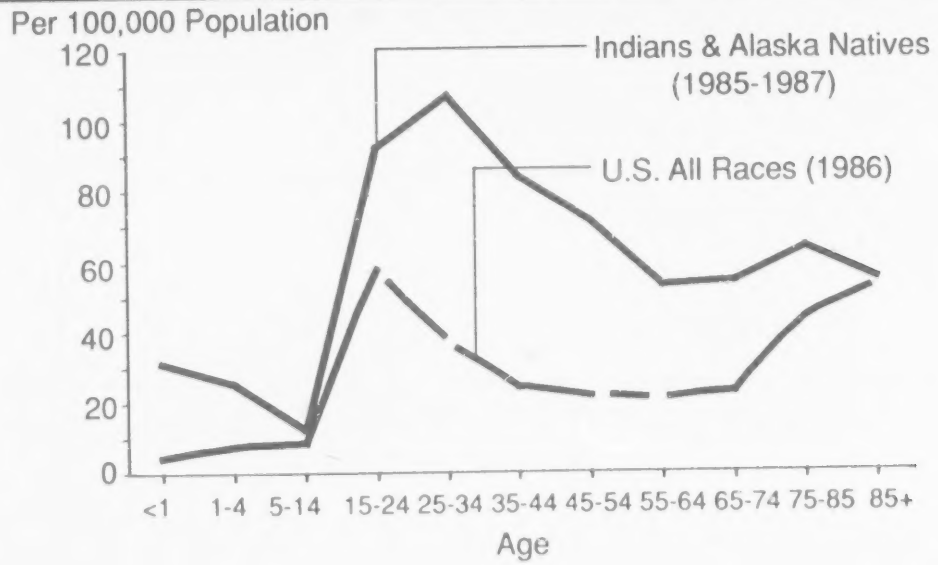
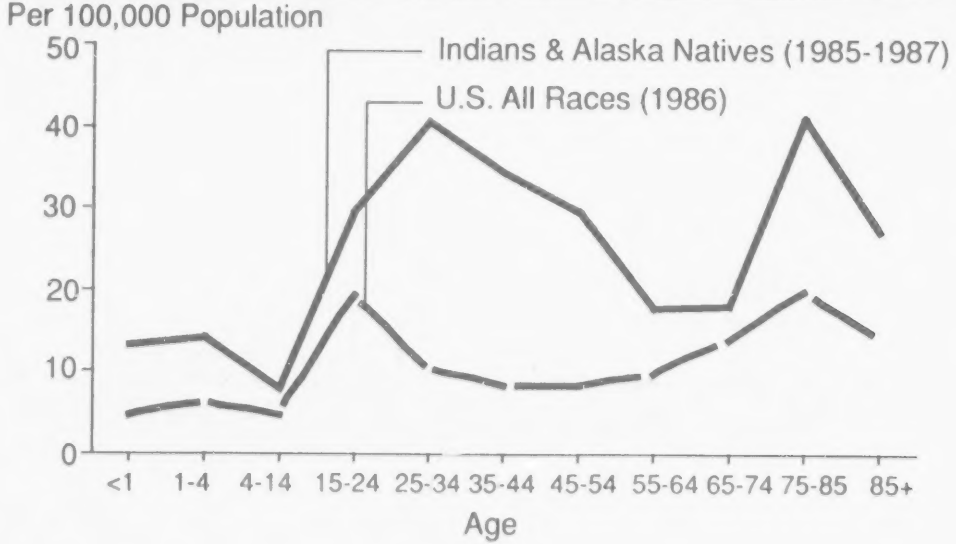
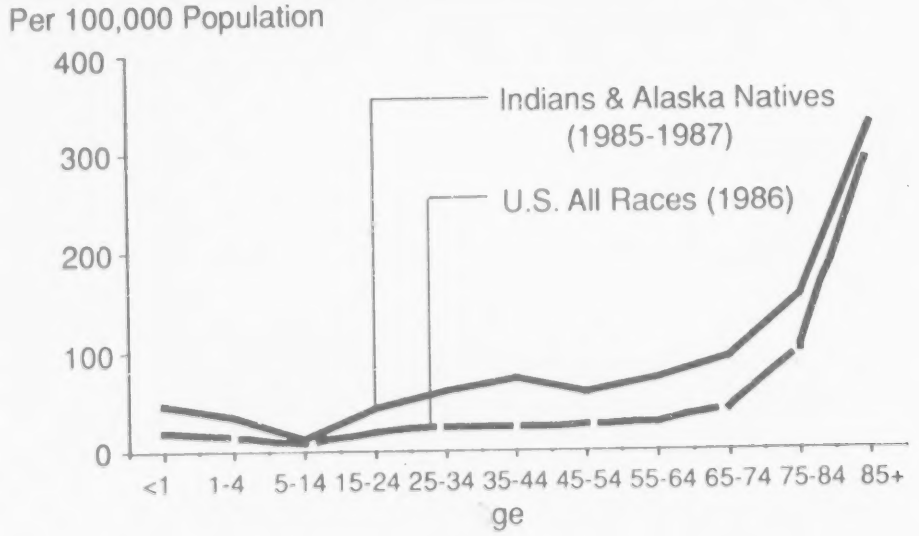
Motor Vehicle Accidents: Male



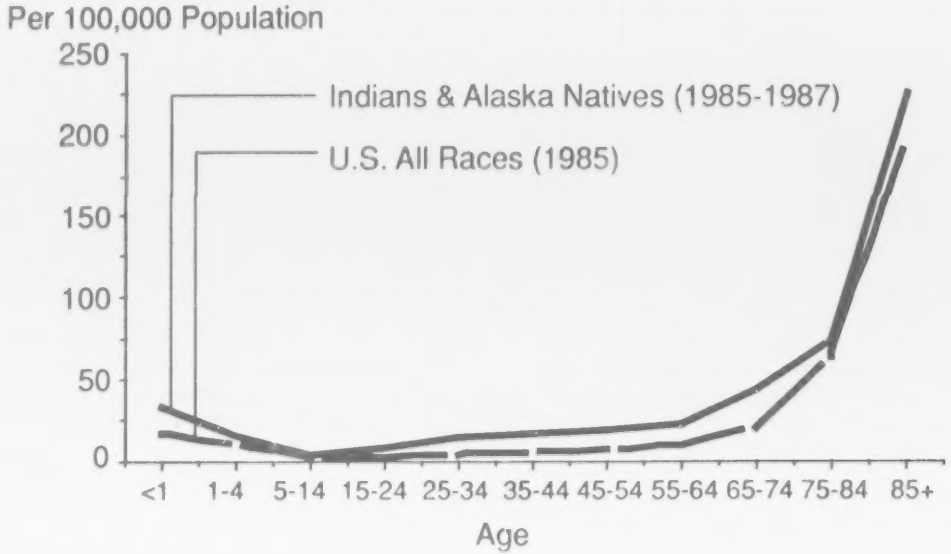
Motor Vehicle Accidents: Female



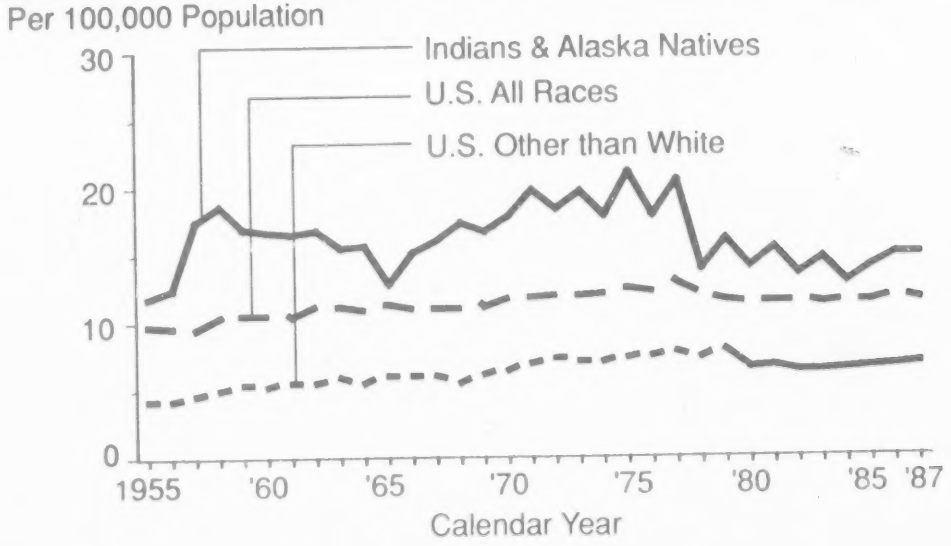
Other Accidents: Male



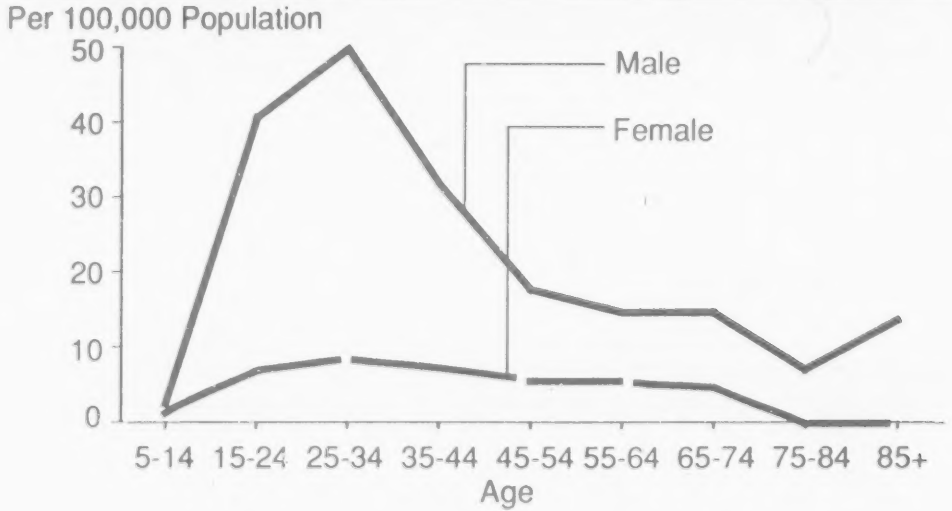
Other Accidents: Female



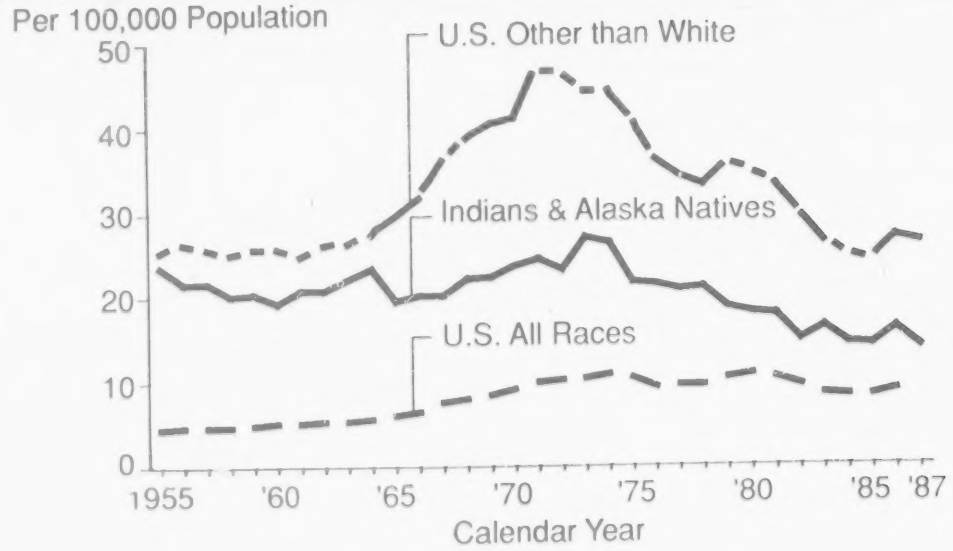
Age-Adjusted Suicide Death Rates



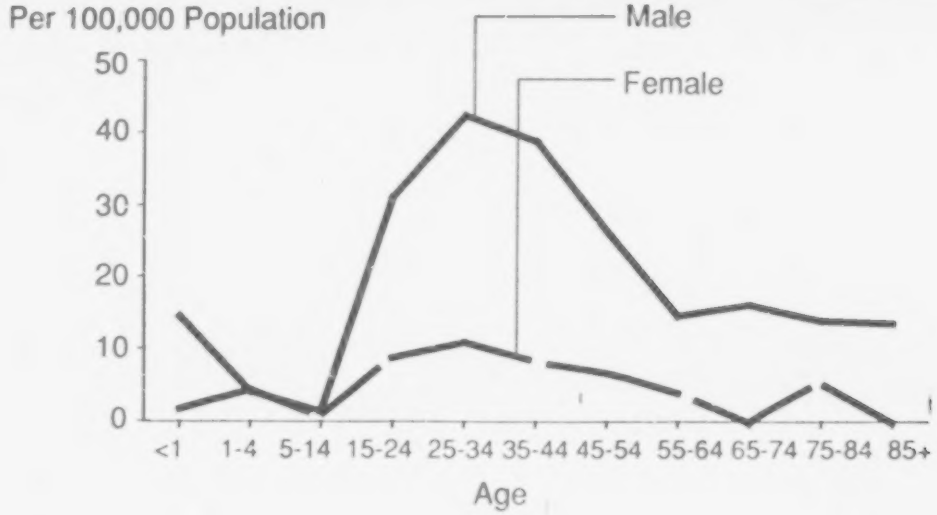
Suicide Death Rates by Age and Sex
Indians & Alaska Natives (1985-1987)



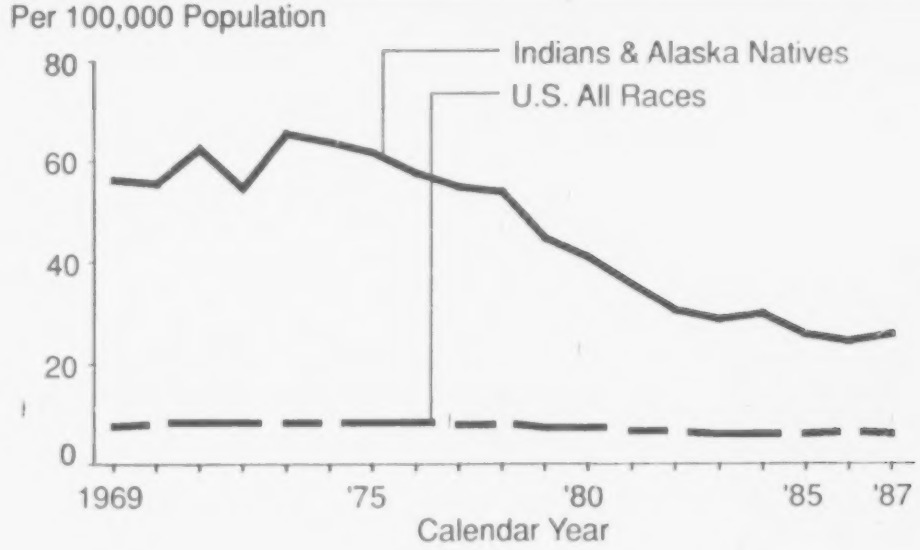
Age-Adjusted Homicide Death Rates



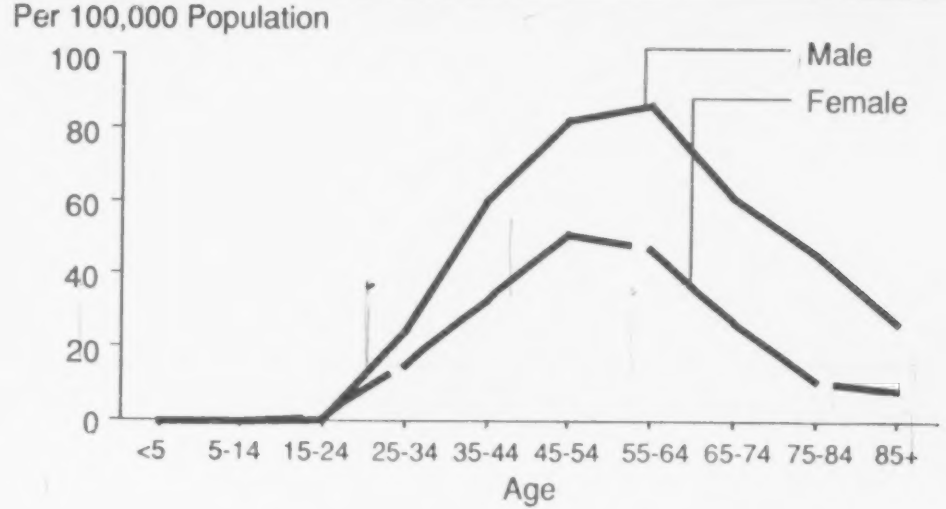
Homicide Death Rates by Age and Sex
Indians & Alaska Natives (1985-1987)



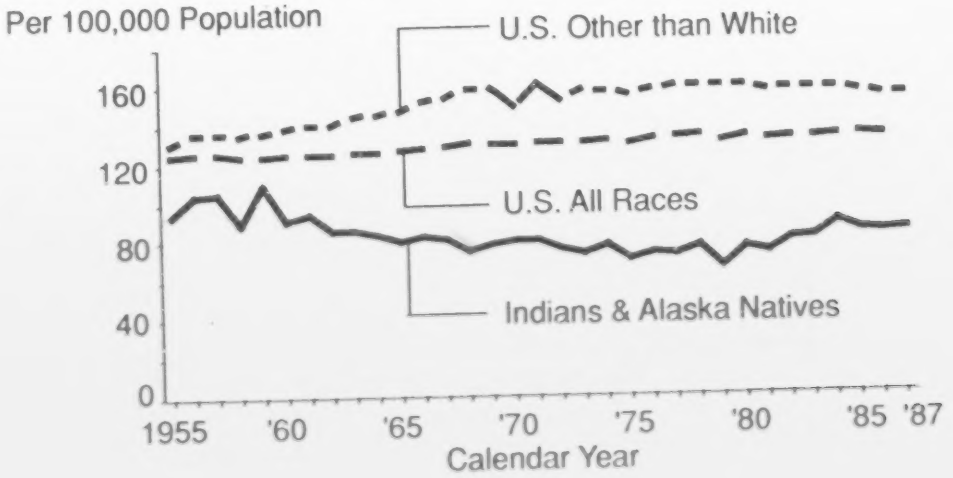
Age-Adjusted Alcoholism Death Rates



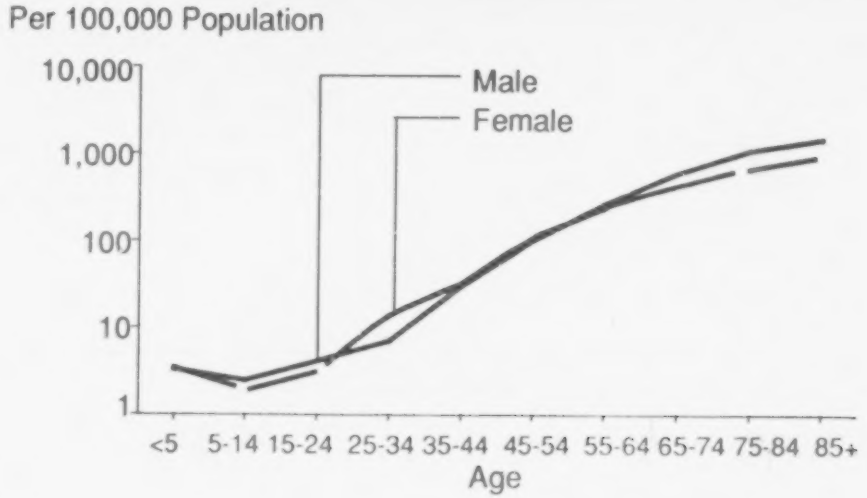
Alcoholism Death Rates by Age and Sex
Indians & Alaska Natives (1985-1987)



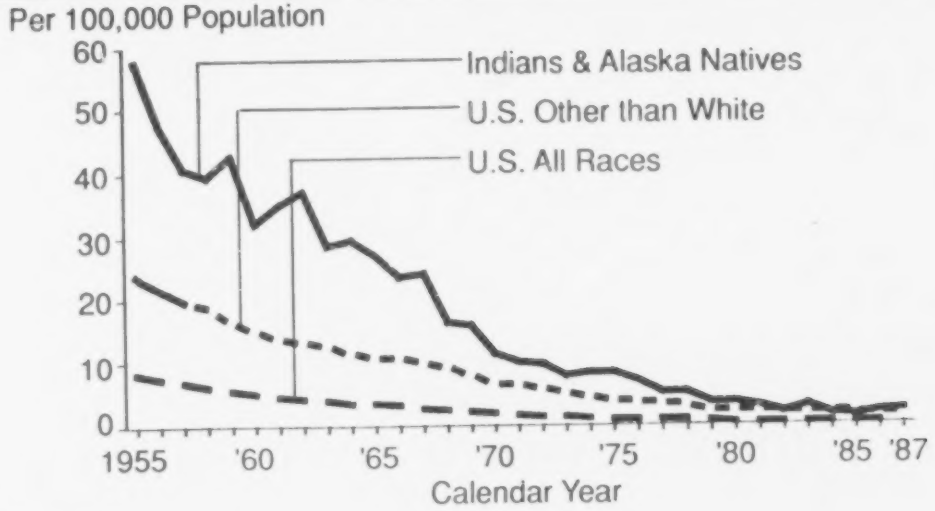
Age-Adjusted Malignant Neoplasm Death Rates



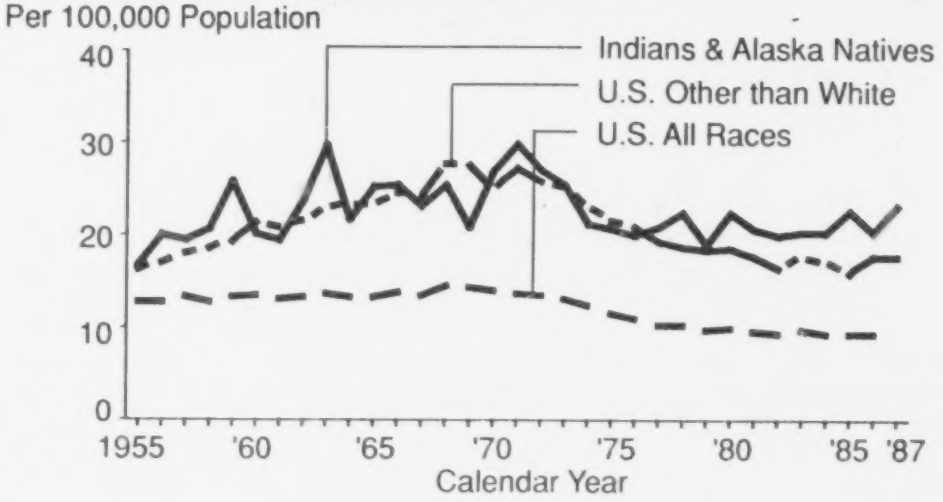
Malignant Neoplasm Death Rates by Age and Sex



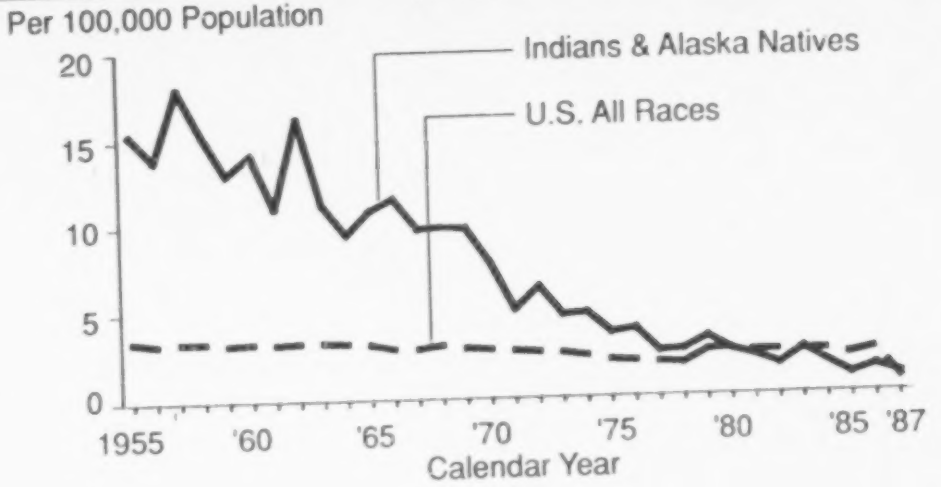
Age-Adjusted Tuberculosis Death Rates



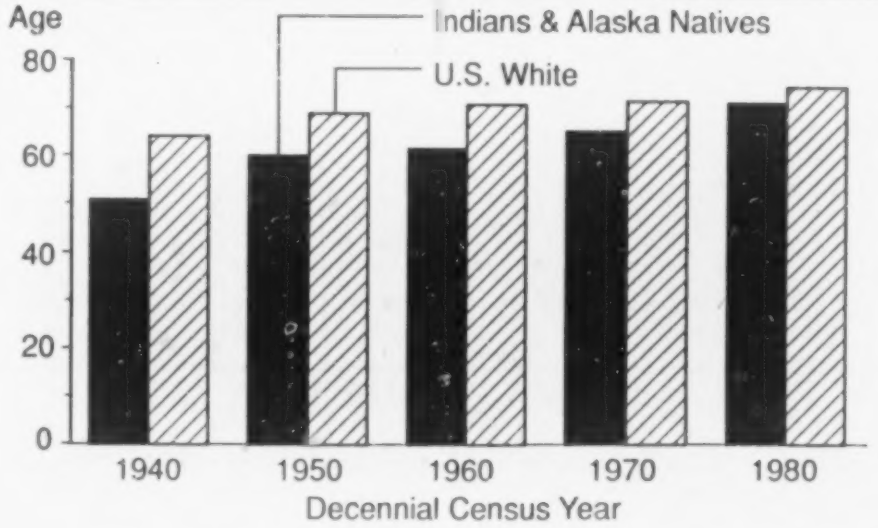
Age-Adjusted Diabetes Mellitus Death Rates



Age-Adjusted Gastrointestinal Disease Death Rates



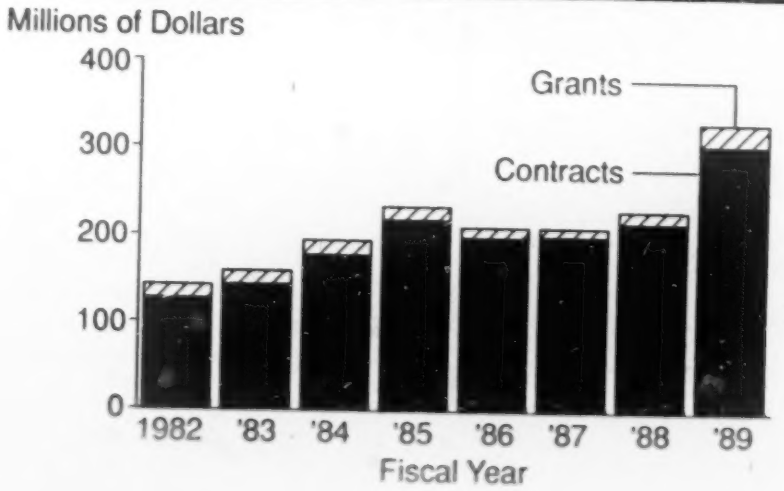
Life Expectancy at Birth



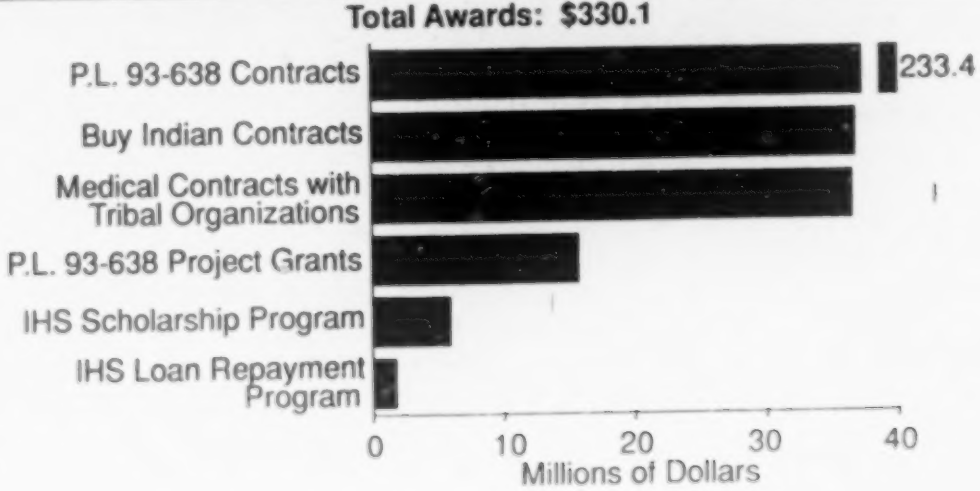
Program Accomplishments
Since IHS Established (1955)

% Decrease in Mortality	
Infant	84
Under 28 Days	80
28 Days - Under 1 Year	87
Maternal	89
Certain Diseases Originating in the Perinatal Period	88
Pneumonia and Influenza	71
Tuberculosis, All Forms	96
Gastrointestinal Diseases	93
Congenital Malformations	53
Accidents	55
% Increase in Services Provided	
Hospital Admissions	109
Outpatient Visits	997
Dental Services	1,126

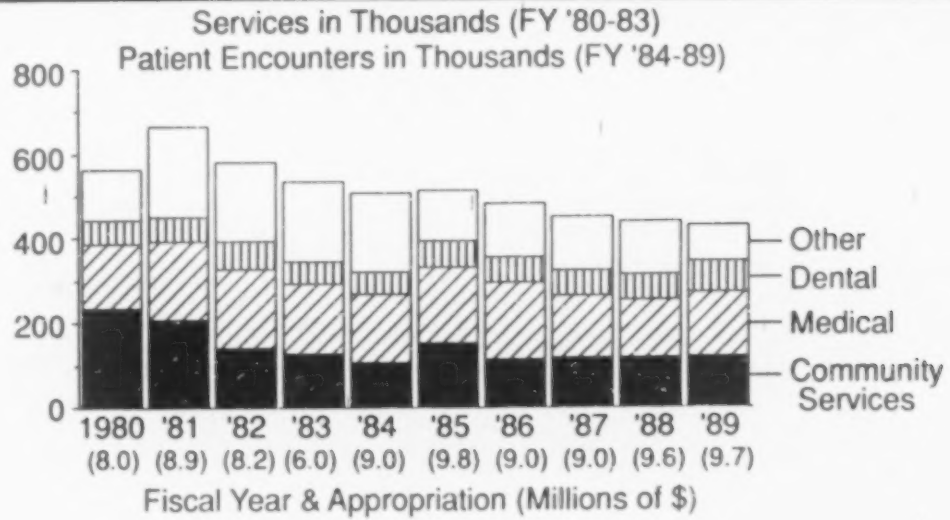
IHS Tribal Health
Contract and Grant Awards



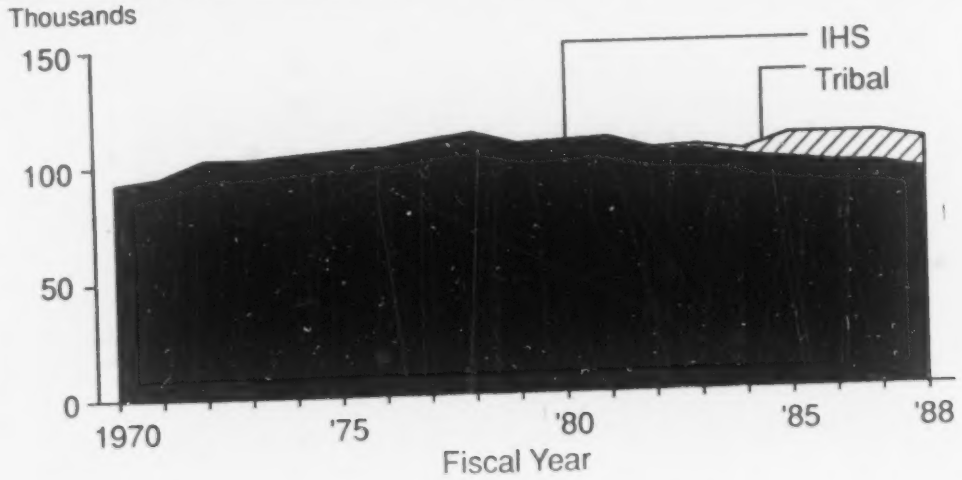
IHS Tribal Health Contract and Grant Awards by Type, FY 1989



Urban Indian Health Program
Workload and Appropriation

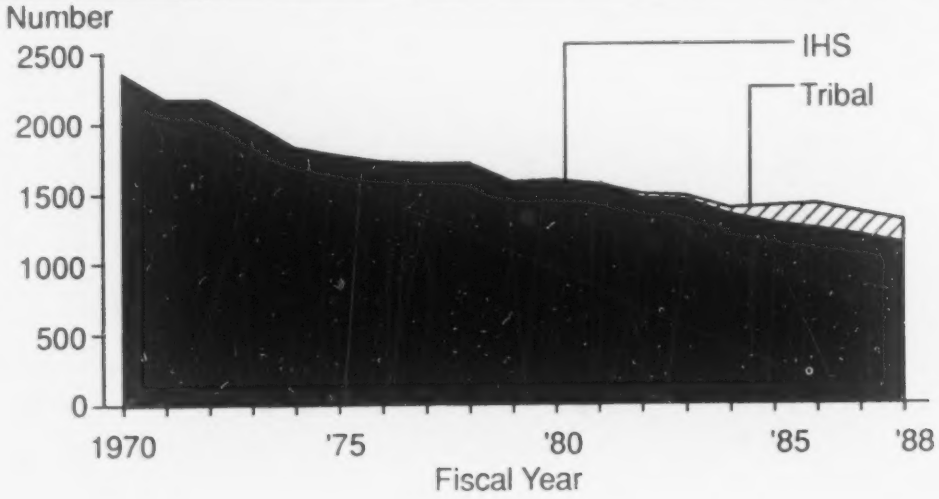


Number of Hospital Admissions
IHS and Tribal Direct and Contract Hospitals



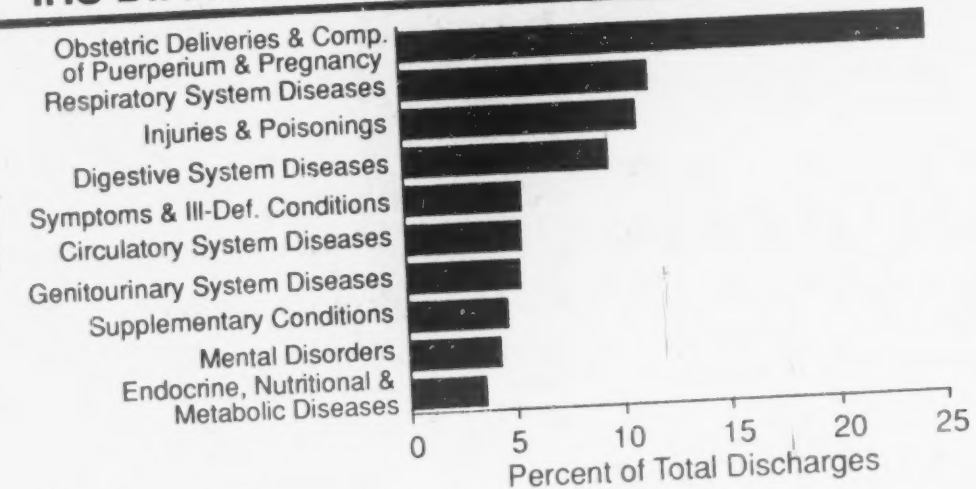
Average Daily Hospital Patient Load

IHS and Tribal Direct and Contract Hospitals

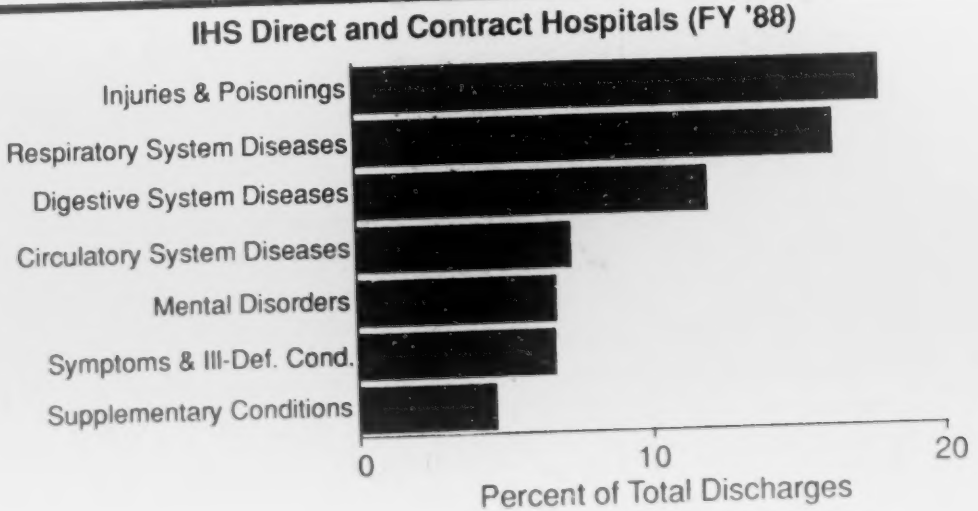


Leading Causes of Hospitalization

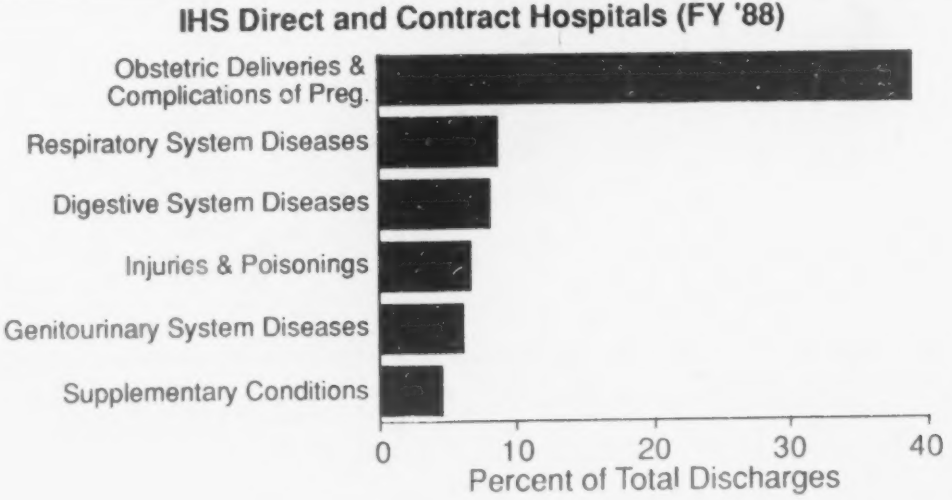
IHS Direct and Contract Hospitals, FY 1988



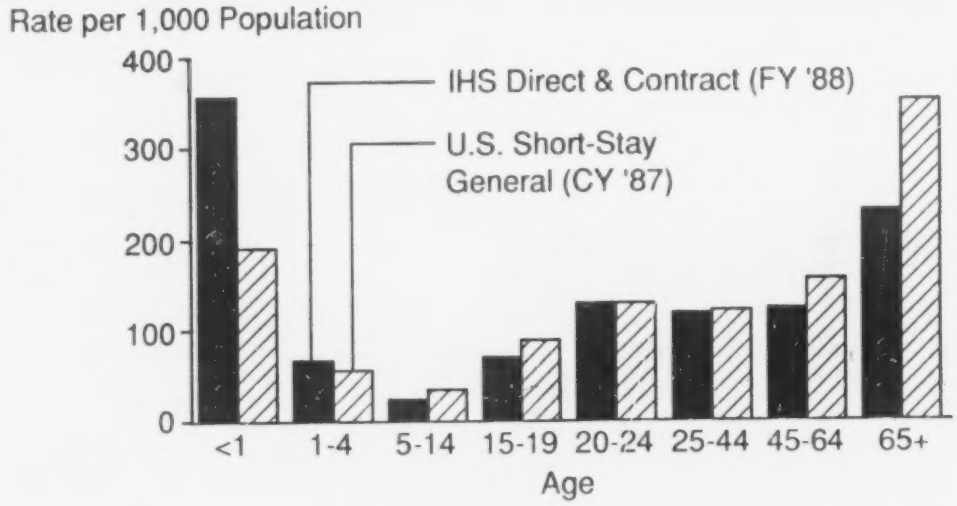
Leading Causes of Hospitalization for Males



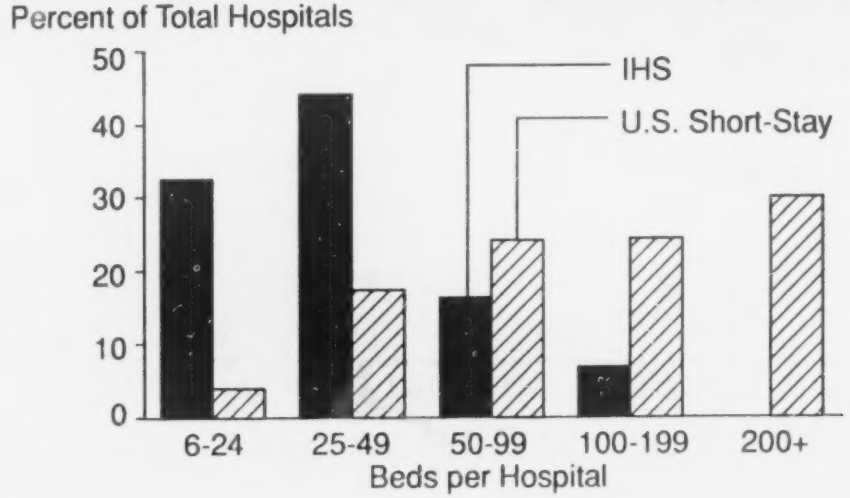
Leading Causes of Hospitalization for Females



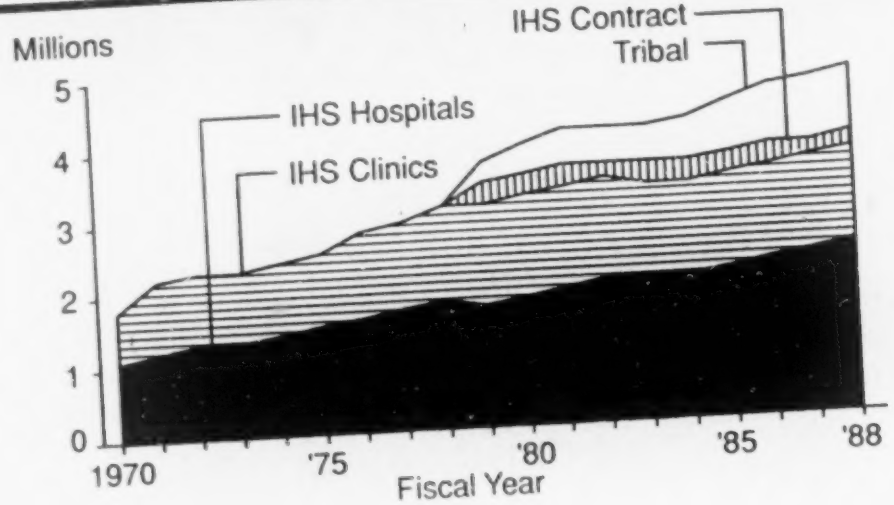
Hospital Discharge Rates by Age



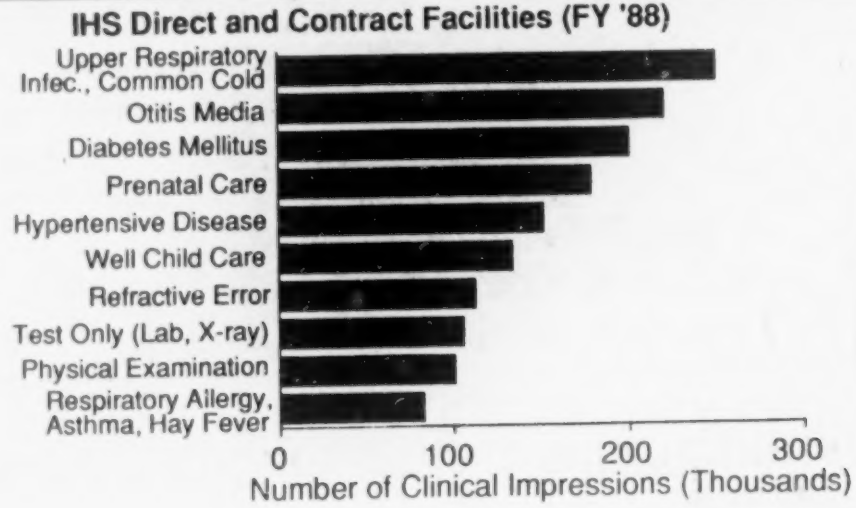
Beds Per Hospital
IHS (FY '89) vs. U.S. Short Stay (CY '88)



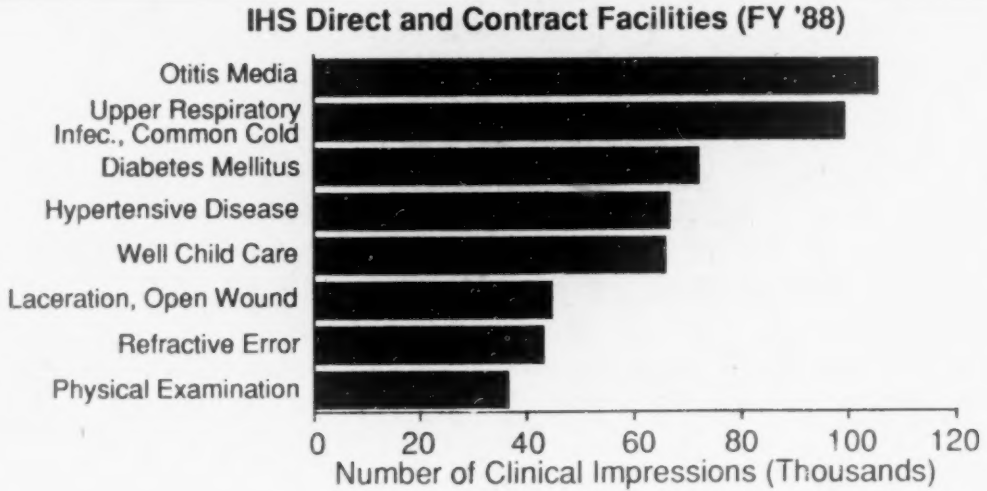
Number of Outpatient Visits
IHS and Tribal Direct and Contract Facilities



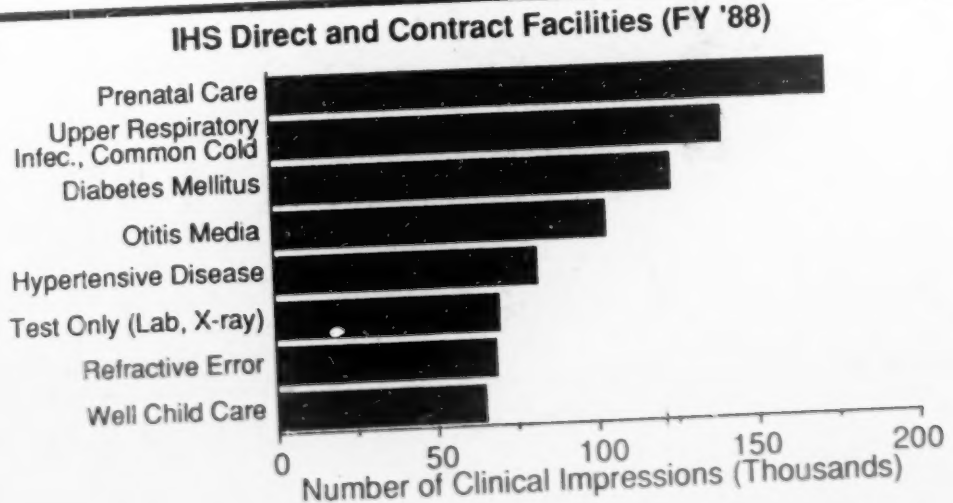
Leading Causes of Outpatient Visits



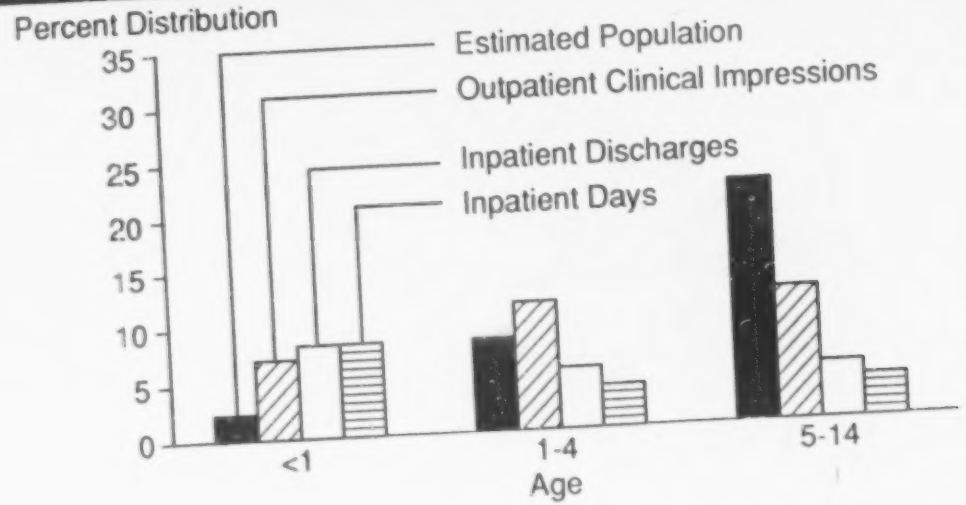
Leading Causes of Outpatient Visits for Males



Leading Causes of Outpatient Visits for Females



Percent Distributions for Population & Patient Care Workloads, FY '88



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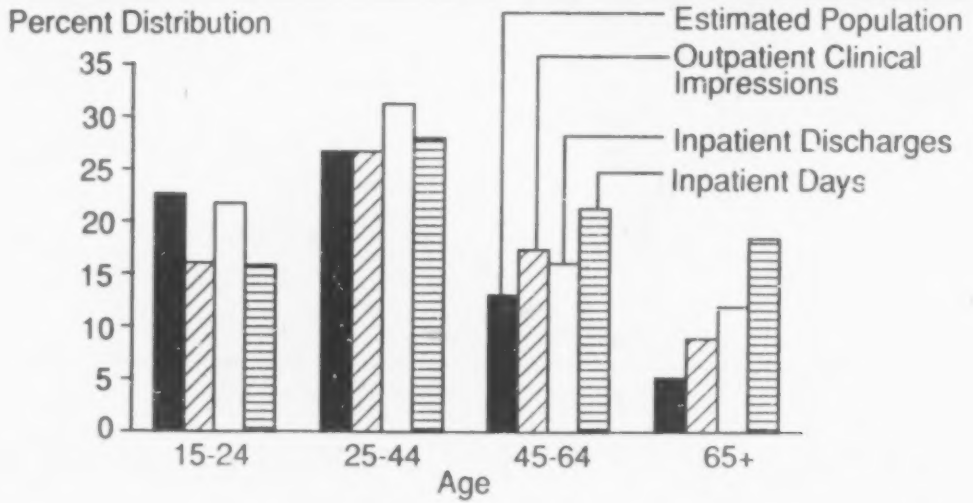
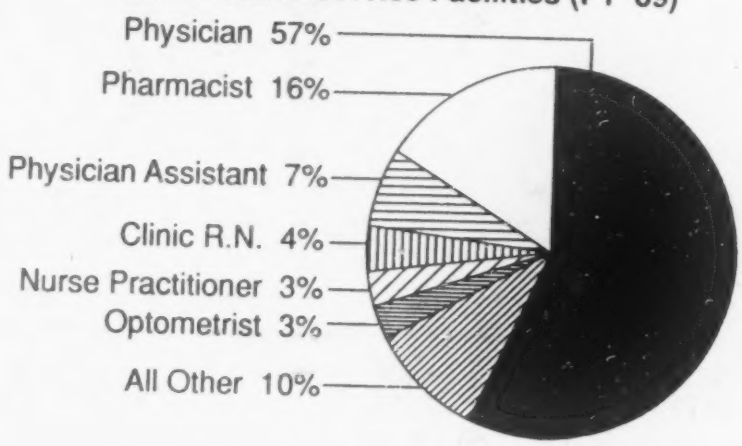
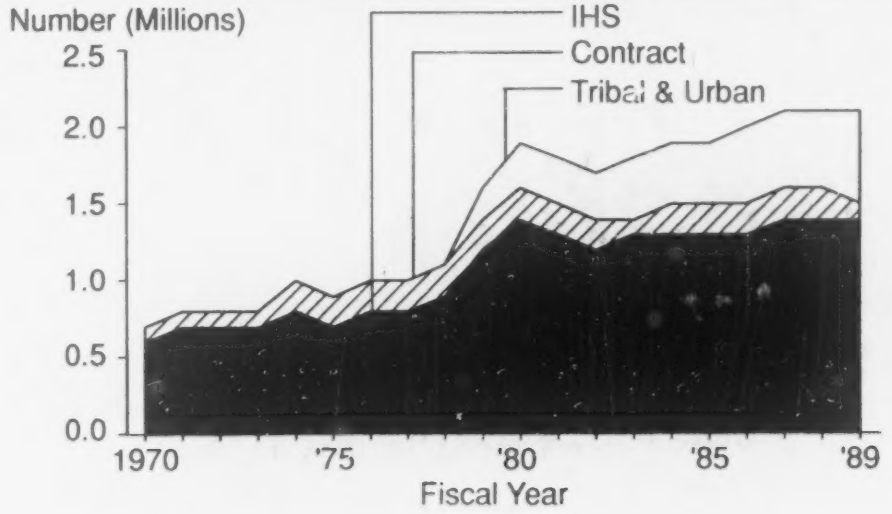
Percent Distributions for Population & Patient Care Workloads, FY '88



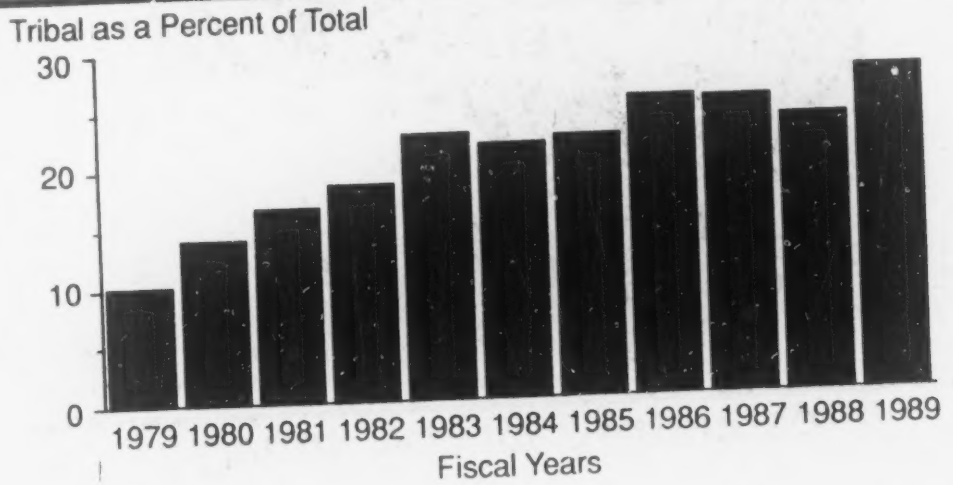
Percent Distribution of Outpatient Visits by Type of Provider



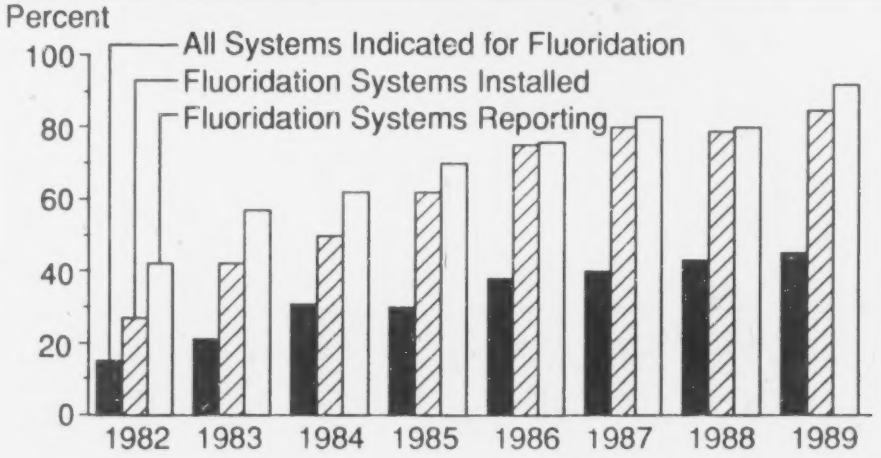
Dental Services Provided



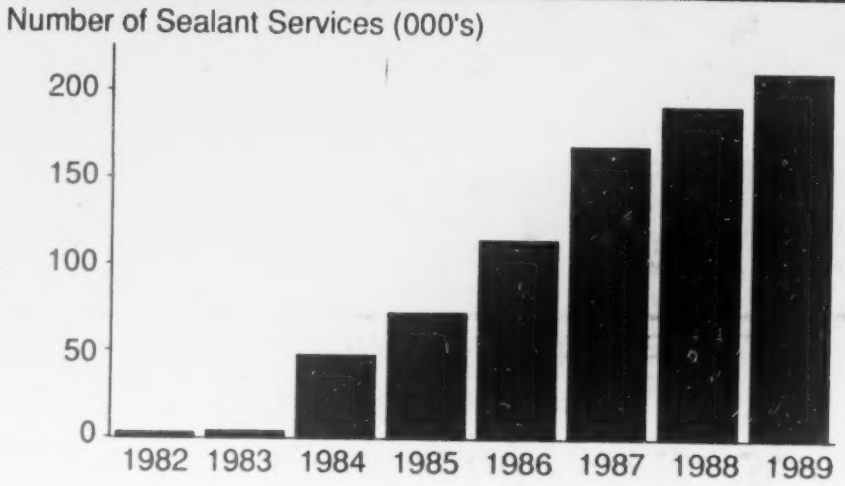
Dental Services Provided by Tribal/Urban Programs



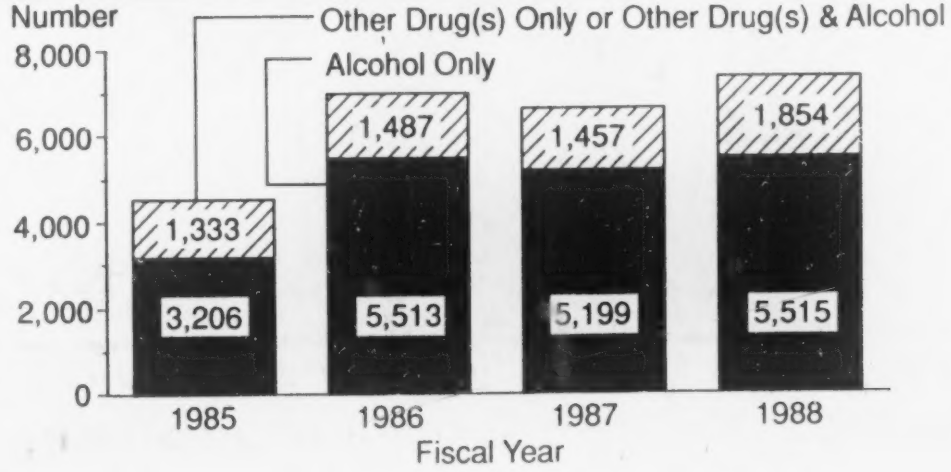
Percent Community Water Systems
Adjusting Fluoride = or >
Minimum Acceptable Level



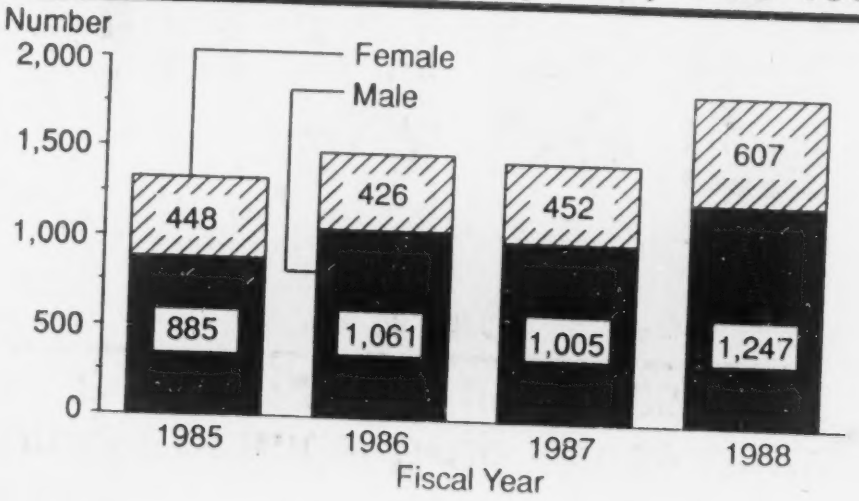
Change in Dental Sealant Usage
Indian Health Service, FY 1982-1989



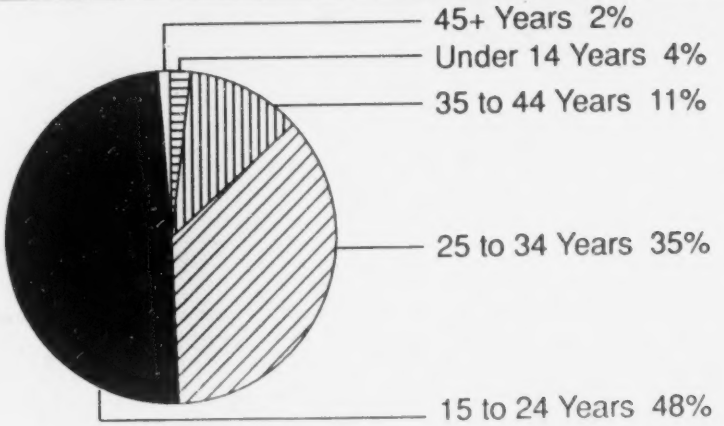
Number of Initial Drug Abuse Contacts
By Type of Addiction, 1985-1988



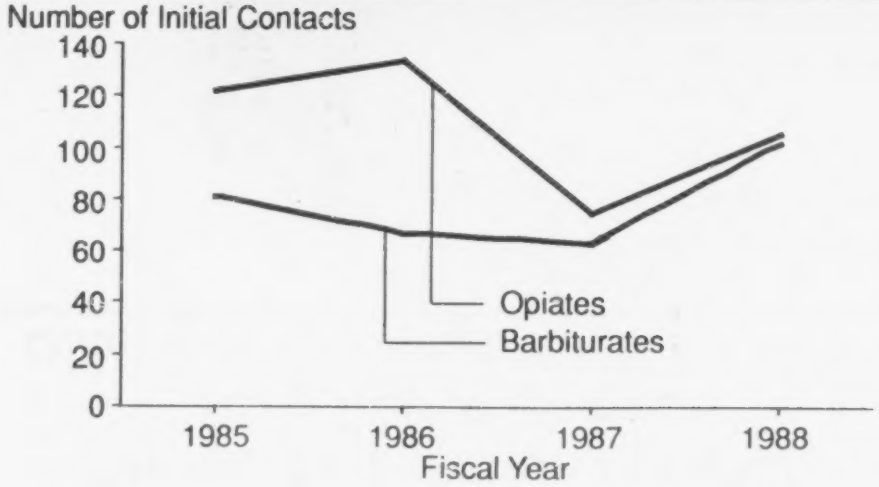
Number of Initial Drug Abuse Contacts Other than Alcohol, by Sex, 1985-1988



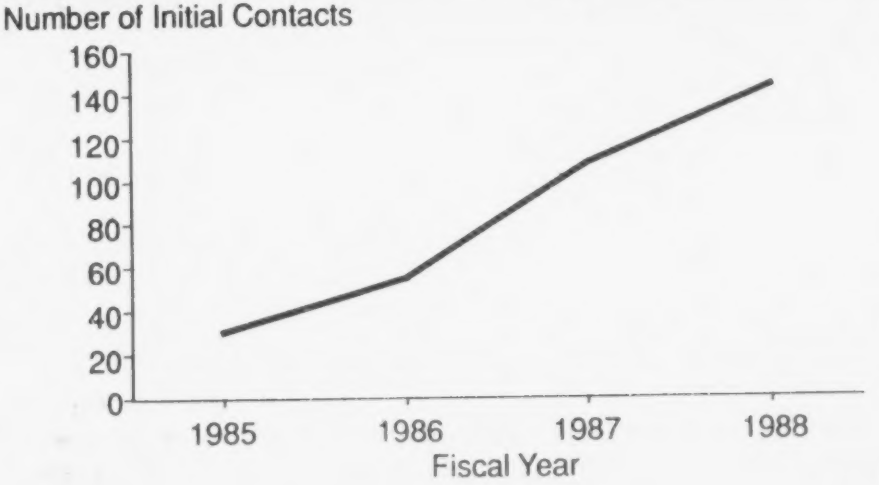
Percent Distribution of Initial Drug Abuse Contacts Other than Alcohol, by Age, FY 1985-1988



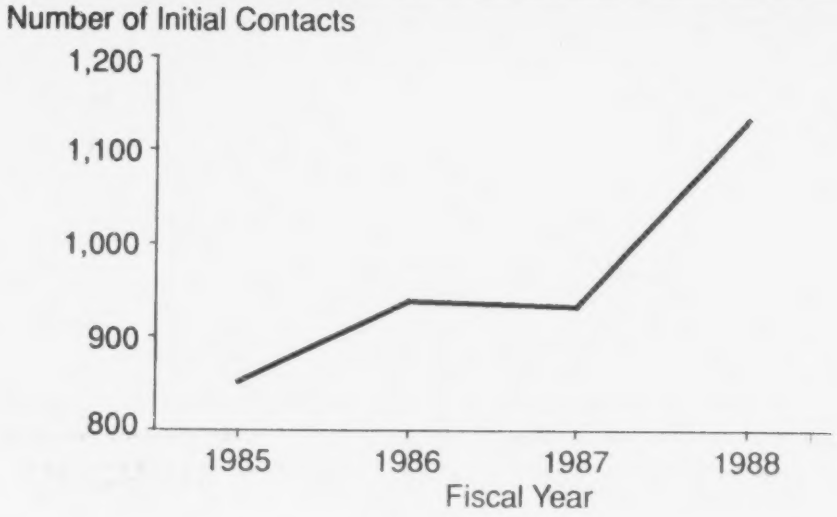
Opiate and Barbiturate Use
Among Initial Contacts



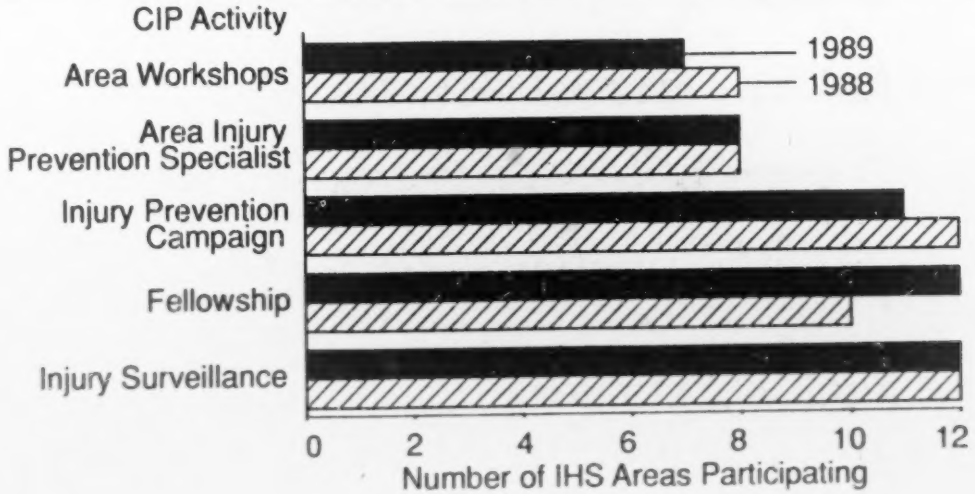
Cocaine Use Among Initial Contacts



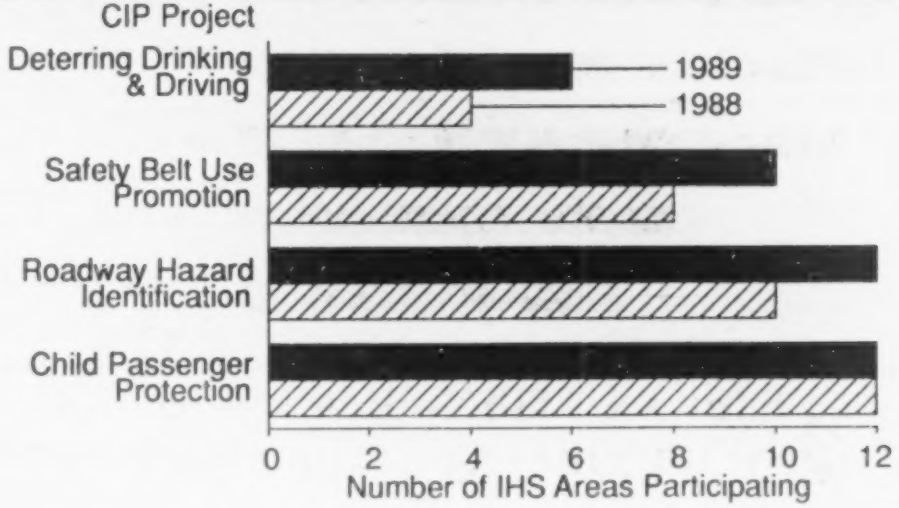
Marijuana Use Among Initial Contacts



Community Injury Prevention (CIP)
Key Program Activities, FY 1989

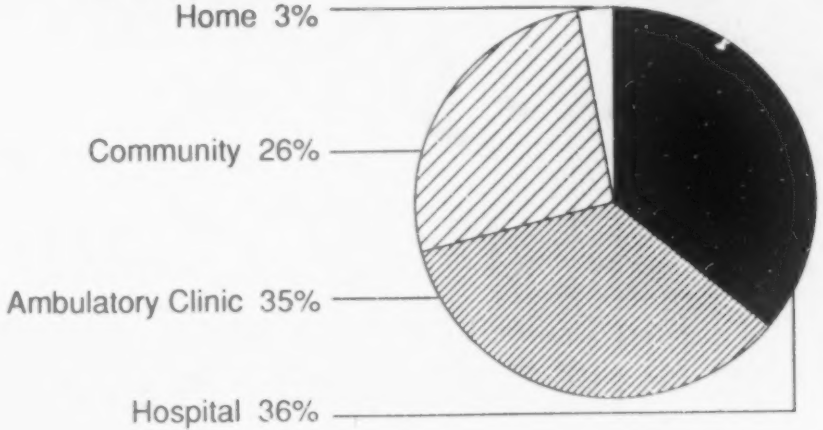


Community Injury Prevention (CIP)
Injury Prevention Projects, FY 1989



IHS Nutrition and Dietetics
Percent of Contacts by Setting, FY '89

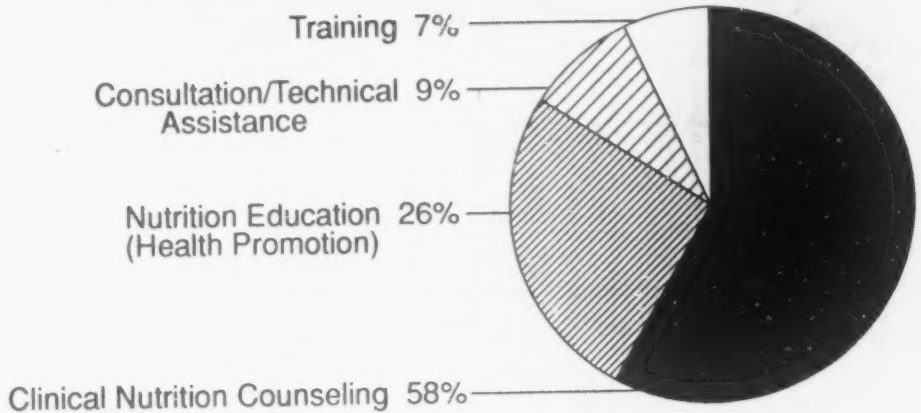
Total Patient/Client Contacts: 261,750



IHS Nutrition and Dietetics

Percent of Contacts by Nutrition Function, FY '89

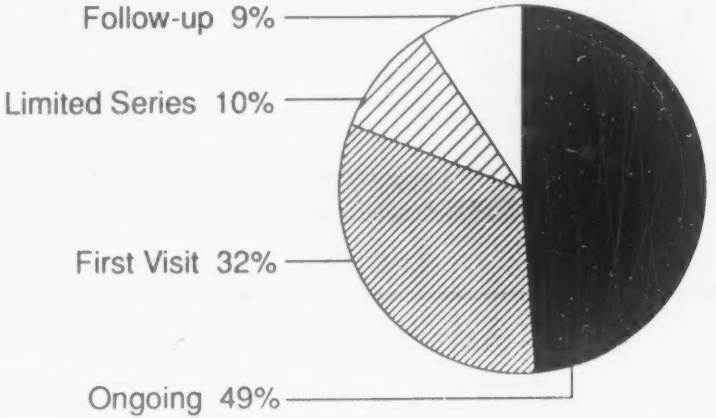
Total Patient/Client Contacts: 261,750



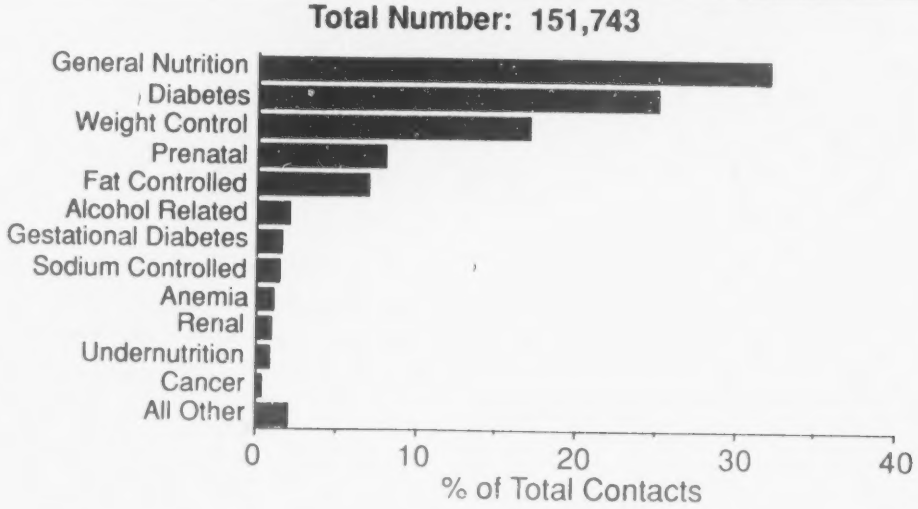
IHS Nutrition and Dietetics

Percent of Contacts by Type of Encounter, FY '89

Total Patient/Client Contacts: 261,750

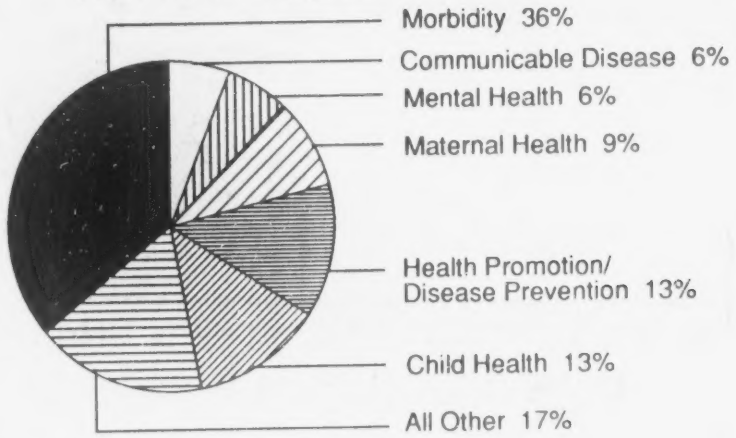


Leading Clinical Nutrition
Patient/Client Contacts, FY 1989



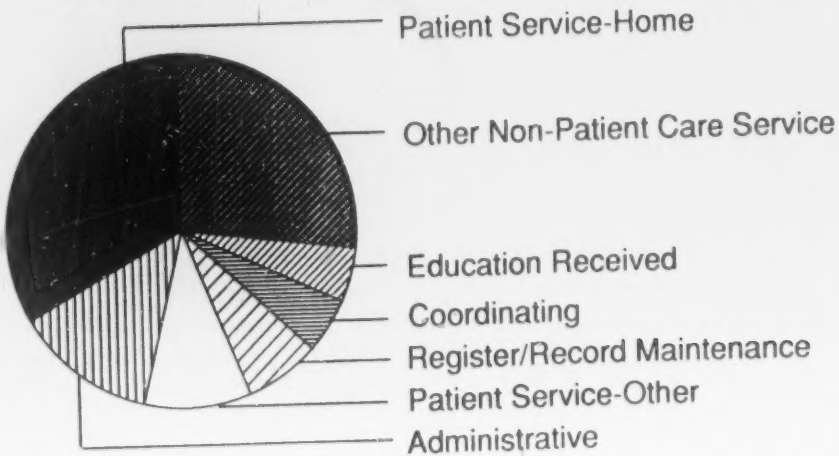
IHS Public Health Nursing
Percent of Visits by Program Area

Total Visits: 366,012

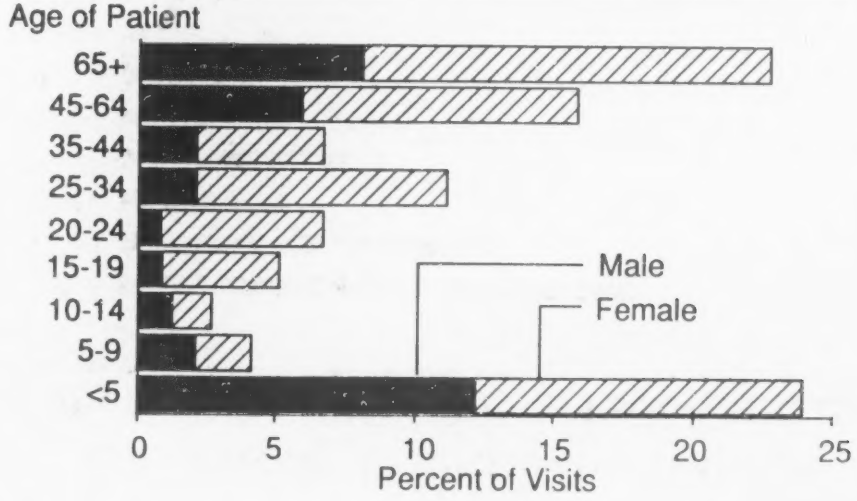


IHS Public Health Nursing

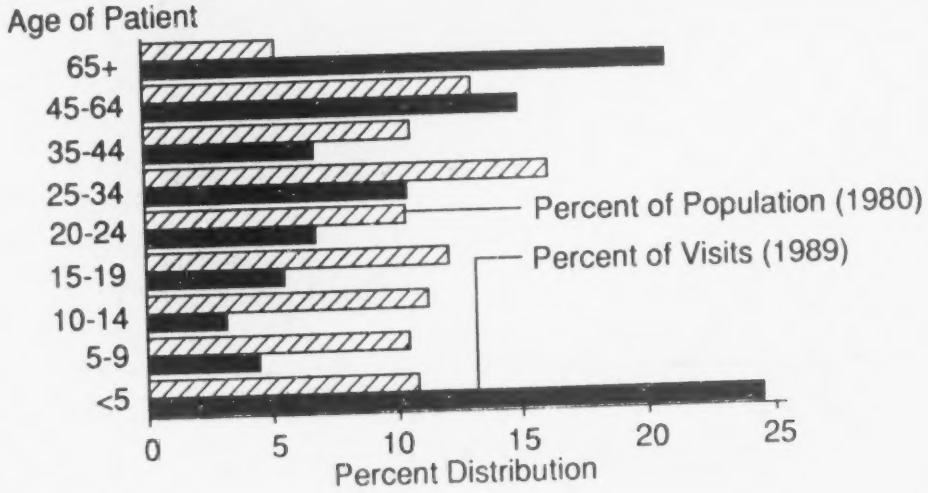
Percent of PHS Time by Type of Activity, FY 1989



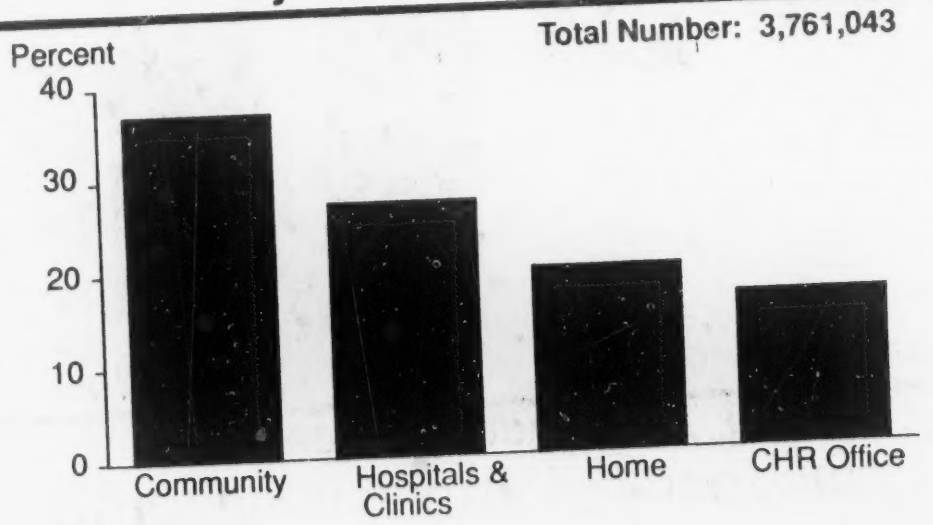
IHS Public Health Nursing
Patient Visits by Age and Sex, FY 1989



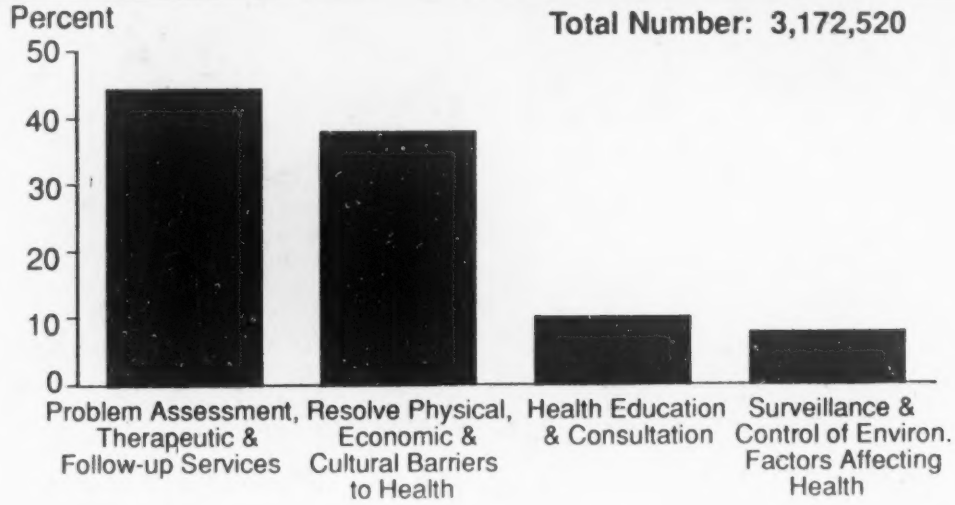
IHS Public Health Nursing
Visits by Age, FY 1989 vs 1980 Census



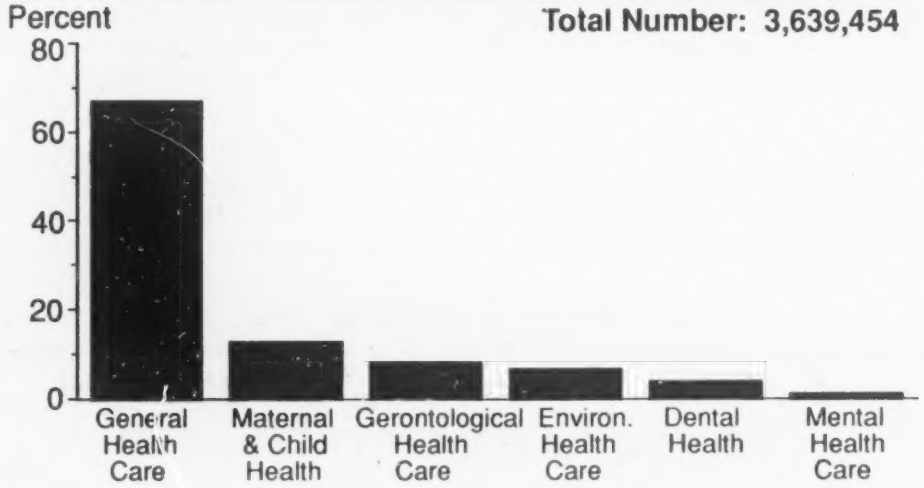
Distribution of CHR Client Contacts by Setting, FY 1989



Distribution of CHR Client Contacts by Health Function, FY 1989



Distribution of CHR Client Contacts by Health Care Area, FY 1989



Leading Detailed Activities
For CHR Client Contacts, FY 1989

Total Number: 3,172,520

Transport/Deliver Patients and Supplies	16%
Case Finding and Screening	15%
Provide Patient Clerical Services	13%
Provide Health Education Services	10%
Monitor Patient	10%
Provide Non-Emergency Patient Care	10%
Case Management -- Coordinate	9%
Provide Environmental Services	8%
Provide Homemaker Services	1%
Interpret/Translate for Patients	1%
Provide Emergency Patient Care	1%
Other Services	6%

Leading Health Problems
For CHR Client Contacts, FY 1989

Total Number: 3,342,170

Health Promotion/Disease Prevention	15%	Dental	4%
Maternal/Child Health	14%	Community Injury Control	4%
Diabetes	9%	Substance Abuse	2%
Adverse Environmental Condition	8%	Communicable Disease	2%
Hypertension	5%	AIDS	1%
Cancer	5%	Mental Health	1%
		Other General Medical	30%

Leading Types of CHR
Incoming Client Referrals, FY 1989

Total Number: 930,670

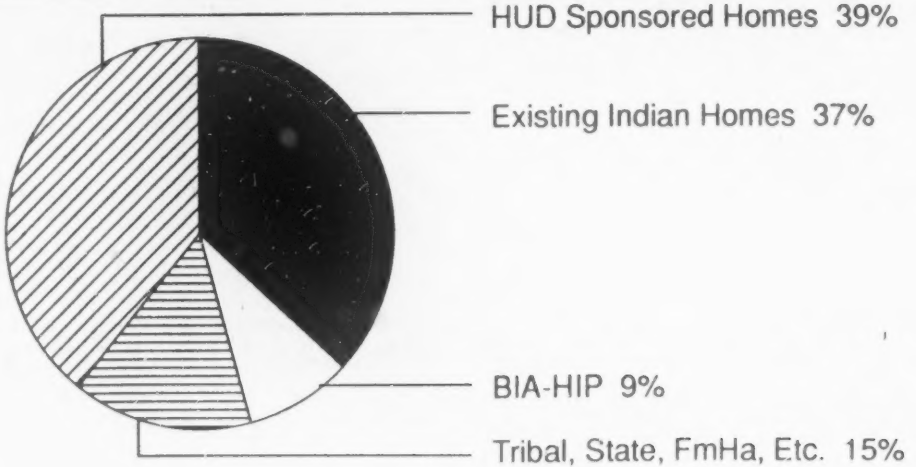
Family/Self/Community	40%	Social Worker	1%
Medical	14%	Technician	1%
Nursing	14%	Substance Abuse Professional	1%
Agency/Program	11%	Other Professional	10%
Dental	7%		
Eye	1%		

Leading Types of CHR
Outgoing Client Referrals, FY 1989

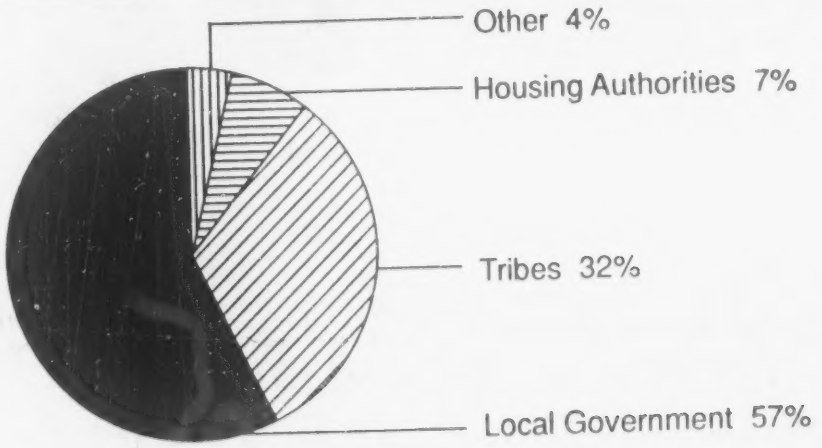
Total Number: 528,827

Family/Self/Community	24%	Technician	3%
Medical	23%	Dental	2%
Agency/Program	18%	Social Worker	1%
Nursing	11%	Substance Abuse Professional	1%
Eye	4%	Other Professional	13%

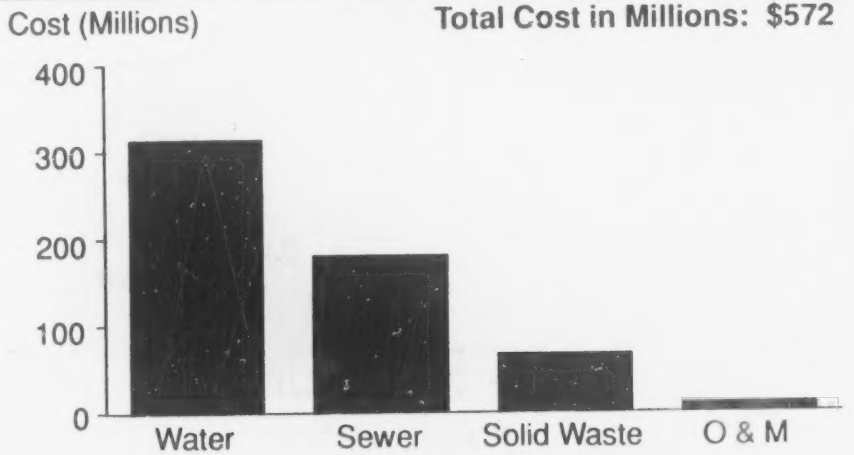
Types of Indian Homes
With Sanitation Facilities Funded by IHS



Contributions to IHS
Sanitation Facilities Projects

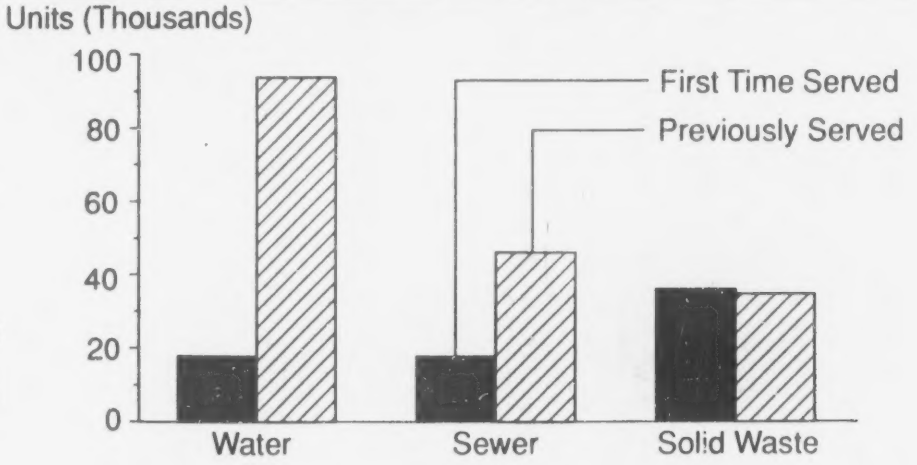


Sanitation Facilities Unmet Need 1989
10-Year Plan



30-547 O—90—27

Sanitation Facilities Unmet Need 1989
10-Year Plan



INDIAN HEALTH SERVICE

TRENDS IN INDIAN HEALTH - 1990

TABLES

DIVISION OF PROGRAM STATISTICS

OFFICE OF PLANNING, EVALUATION, AND LEGISLATION

PUBLIC HEALTH SERVICE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

5600 FISHERS LANE
ROOM 6-41
ROCKVILLE, MARYLAND 20857
(301) 443-1180

ISSUED: FEBRUARY 12, 1990

INDIAN HEALTH SERVICE HEALTH CENTER ACCREDITATION STATUS
January 1, 1990

Area Office	IHS Health Centers			
	Total 1/	Accredited 2/	Not Accredited	Accredited As a Percent of Total
IHS TOTAL	55	46	9	84%
Aberdeen	3	2	1	67%
Alaska	1	1	0	100%
Albuquerque	8	8	0	100%
Bemidji	1	1	0	100%
Billings	7	7	0	100%
California	--	--	--	--
Nashville	--	--	--	--
Navajo	7	7	0	100%
Oklahoma	11	7	4	64%
Phoenix	6	2	4	33%
Portland	11	11	0	100%

1/ Excludes health centers not eligible for accreditation survey and under Tribal management pursuant to P.L. 93-638.

2/ Health Centers accredited by the Joint Commission on the Accreditation of Healthcare Organizations.

Health Care Administration Branch
OHP/IHS
January 25, 1990
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INDIAN HEALTH SERVICE LABORATORY ACCREDITATION STATUS
December 31, 1989

IHS Hospital Laboratories

Area Office	Total	Accredited 1/	Not Accredited	Percent Accredited	Percent in Proficiency Testing Program 2/
IHS TOTAL	43	43	--	100%	100%
Aberdeen	9	9	--	100%	100%
Alaska	3	3	--	100%	100%
Albuquerque	5	5	--	100%	100%
Bemidji	2	2	--	100%	100%
Billings	3	3	--	100%	100%
California	--	--	--	--	--
Nashville	1	1	--	100%	100%
Navajo	6	6	--	100%	100%
Oklahoma	5	5	--	100%	100%
Phoenix	8	8	--	100%	100%
Portland	--	--	--	--	--
Tucson	1	1	--	100%	100%

IHS Health Center Laboratories

Area Office	Total	Accredited 1/	Not Accredited	Percent Accredited	Percent in Proficiency Testing Program 2/
IHS TOTAL	45	38	7	84%	100%
Aberdeen	4	4	0	100%	100%
Alaska	--	--	--	--	--
Albuquerque	4	4	0	100%	100%
Bemidji	2	1	1	50%	100%
Billings	6	6	0	100%	100%
California	--	--	--	--	--
Nashville	--	--	--	--	--
Navajo	3	3	0	100%	100%
Oklahoma	11	7	4	64%	100%
Phoenix	3	2	1	67%	100%
Portland	11	11	0	100%	100%
Tucson	1	--	1	0%	100%

1/ Laboratories accredited by the College of American Pathologists, the Joint Commission on the Accreditation of Healthcare Organizations and the Health Care Financing Administration, DHHS. Excludes laboratories under Tribal management pursuant to P.L. 93-638.

2/ Laboratories participating in the College of American Pathologist (CAP) national proficiency testing program.

Laboratory Service Staff OHP/IHS January 18, 1990 1085r(0048r) pg 3 "C"

IHS SERVICE POPULATION BY AREA
1980-1990

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
ALL AREAS	828,609	849,315	870,963	902,627	937,043	961,884	986,881	1,012,872	1,039,841	1,076,417	1,105,4
(Growth Factor)	--	(2.50)	(2.55)	(3.64)	(3.81)	(2.65)	(2.60)	(2.63)	(2.66)	(3.52)	(2.7
Aberdeen	63,253	64,959	66,731	68,571	70,470	73,343	75,396	77,514	79,702	81,960	84,2
Alaska	64,047	65,769	67,586	69,503	71,520	73,642	75,861	78,179	80,600	83,120	85,7
Albuquerque	46,610	47,699	48,830	50,003	51,216	52,473	53,766	55,108	56,485	59,169	60,6
Bemidji	42,686	43,653	44,681	45,768	46,908	48,102	49,364	50,681	52,052	54,237	55,7
Billings	35,708	37,151	38,627	40,138	41,683	42,855	44,075	45,341	46,644	47,984	49,3
California	65,757	67,091	68,597	70,266	72,109	74,119	76,298	78,645	81,160	83,845	86,6
Nashville	26,731	27,174	28,114	30,303	35,419	35,533	36,073	36,632	37,205	42,883	43,5
Navajo	145,162	149,198	153,350	157,627	162,025	166,543	171,183	175,943	180,824	185,822	190,9
Oklahoma City	172,636	176,353	180,231	185,048	189,276	193,686	198,257	203,003	207,920	213,003	218,2
Phoenix	74,020	76,308	78,221	80,263	82,424	84,715	87,129	89,668	92,335	96,641	99,5
Portland	75,769	77,384	79,051	87,801	96,244	98,688	100,836	103,034	105,287	107,599	109,9
Tucson	16,230	16,576	16,944	17,336	17,749	18,185	18,643	19,124	19,627	20,154	20,7

NOTE: The IHS service population included the Reservation States of Connecticut, Rhode Island, and Texas in 1983, Alabama in 1984, Massachusetts in 1989.

SOURCE: Estimated Indian and Alaska Native Service Population by Area based on 1977-1986 vital events.

Demographic Statistics Branch
DPS/OPEL/IHS
February 12, 1990
1085r(0048r) pg 4 "C"

AGE AND SEX PERCENT DISTRIBUTION
American Indians and Alaska Natives, Reservation States and
U.S. All Races, 1980 Census Data

	Indian & Alaska Native		U.S. All Races	
	Male	Female	Male	Female
TOTAL	49.325	50.675	48.578	51.422
Under 10 years	10.762	10.502	7.460	7.127
10 - 19 years	11.767	11.506	8.859	8.537
20 - 29 years	9.451	9.645	8.990	9.036
30 - 39 years	6.445	6.779	6.859	7.057
40 - 49 years	4.248	4.565	4.898	5.148
50 - 59 years	3.208	3.488	4.901	5.396
60 - 69 years	2.024	2.343	3.784	4.545
70 years and over	1.421	1.847	2.826	4.575

NOTE: Percentages may not sum to totals due to rounding.

Demographic Statistics Branch
DPS/OPEL/IHS
January 4, 1990
1085r(0048r) pg 5 "C"

NUMBER AND PERCENT AGE DISTRIBUTION
American Indians and Alaska Natives, Reservation States and
U.S. All Races, 1980 Census Data

	Indian & Alaska Native		U.S. All Races	
	Number	Percent	Number	Percent
TOTAL	1,303,193	100.000	226,504,825	100.000
Under 5 years	140,111	10.751	16,344,407	7.216
5 - 9 years	136,989	10.512	16,697,134	7.372
10 - 14 years	145,673	11.178	18,240,919	8.053
15 - 19 years	157,612	12.094	21,161,667	9.343
20 - 24 years	135,587	10.404	21,312,557	9.409
25 - 29 years	113,271	8.692	19,517,672	8.617
30 - 34 years	96,621	7.414	17,557,957	7.752
35 - 39 years	75,710	5.810	13,963,008	6.165
40 - 44 years	62,363	4.785	11,668,239	5.151
45 - 49 years	52,496	4.029	11,088,383	4.895
50 - 54 years	46,654	3.580	11,708,984	5.169
55 - 59 years	40,604	3.116	11,614,054	5.128
60 - 64 years	30,928	2.373	10,085,711	4.453
65 - 69 years	25,981	1.994	8,780,844	3.877
70 - 74 years	18,204	1.397	6,796,742	3.001
75 - 79 years	12,577	0.965	4,792,597	2.116
80 - 84 years	6,427	0.493	2,934,229	1.295
85 years & over	5,385	0.413	2,239,721	0.989
Median Age	22.6		30.0	

NOTE: Percentages may not sum to totals due to rounding.

Demographic Statistics Branch
DPS/OPEL/IHS
January 4, 1990
1085r(0048r) pg 6 Y-D "C"

American Indians and Alaska Natives, Reservation States and
U.S. All Races, 1980 Census Data

	Indian & Alaska Native		U.S. All Races	
	Number	Percent	Number	Percent
TOTAL	1,303,193	100.000	226,504,825	100.000
Under 5 years	140,111	10.751	16,344,407	7.216
5 - 9 years	136,989	10.512	16,697,134	7.372
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85 years & over	5,385	0.413	2,239,721	0.989
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NOTE: Percentages may not sum to totals due to rounding.

Demographic Statistics Branch
DPS/OPEL/IHS
January 4, 1990
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SOCIAL AND ECONOMIC CHARACTERISTICS

Approximately 90 percent of the Indian Health Service population lives in the following 11 States: Alaska, Arizona, Minnesota, Montana, New Mexico, North Dakota, Oklahoma, South Dakota, Utah, Washington, and Wisconsin. 92 percent of the Indians in these States are served by the Indian Health Service. The following statistics for the 33 Reservation States and U.S. All Races are based on the 1980 Census.

	American Indians, Eskimos & Aleuts	U.S. All Races
Median Age	22.6	30.0
Percent Female	50.7%	51.4%
Percent Male	49.3%	48.6%
Average Number of Persons per Family	4.6	3.8
Median Family Income	$13,700	$19,900
Average Family Income	$16,500	$23,100
Per Capita Income	$ 3,600	$ 7,300
Percent of All persons, Below Poverty Level	28.2%	12.4%
Percent High School Graduates	55.4%	66.5%
Percent College Graduates	7.4%	16.2%
Percent in Labor Force, 16 years old and over	57.8%	62.0%
Female, 16 years old and over	47.7%	49.9%
Male, 16 years old and over	68.6%	75.1%
Percent of Civilian Labor Force Unemployed	13.3%	6.5%
Female, 16 years old and over	11.9%	6.5%
Male, 16 years old and over	14.5%	6.5%

NOTE: There were 28 Reservation States in 1980, 31 in 1983, 32 in 1984 and 33 in 1988.

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NUMBER AND RATE OF LIVE BIRTHS
American Indians and Alaska Natives and U.S. All Races, 1955-1987
(Rate per 1,000 Population)

Calendar Year	Indian & Alaska Native		Indian		Alaska Native		U.S. All Races		U.S. Other than White
	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Rate
1987	42,163		39,308		2,855				
1986	41,020	27.9	38,312	27.5	2,708	36.5	3,756,547	15.6	21.4
1985	41,155	28.0	38,395	27.5	2,760	36.6	3,760,561	15.8	21.4
1984	39,679	28.4	37,050	27.9	2,629	37.6	3,669,141	15.5	21.2
1983	39,521	28.8	36,839	28.4	2,682	37.2	3,638,933	15.5	21.3
1982	38,560	28.5	36,099	28.1	2,461	36.3	3,680,537	15.9	21.9
1981	34,205	28.0	31,975	27.7	2,230	34.9	3,629,238	15.8	22.0
1980	33,937	27.0	31,742	26.7	2,195	33.7	3,612,258	15.9	22.5
1979	31,843	27.2	29,803	26.8	2,040	33.0	3,494,398	15.6	22.2
1978	29,857	27.0	27,922	26.7	1,935	32.0	3,333,279	15.0	21.6
1977	28,198	27.1	26,325	26.8	1,873	31.1	3,326,632	15.1	21.6
1976	26,748	26.9	24,989	26.7	1,759	30.8	3,167,788	14.6	20.8
1975	25,457	26.9	23,695	26.7	1,762	30.2	3,144,198	14.6	21.0
1974	24,301	27.3	22,653	27.0	1,648	30.4	3,159,958	14.8	21.2
1973	23,757	28.1	22,087	28.0	1,670	30.1	3,136,965	14.8	21.7
1972	23,752	29.7	22,154	29.6	1,598	31.2	3,258,411	15.6	22.8
1971	23,806	31.2	22,092	31.1	1,714	31.8	3,555,970	17.2	24.6
1970	22,746	32.0	21,100	32.0	1,646	32.0	3,731,386	18.4	25.1
1969	21,593	32.3	20,074	32.3	1,519	31.4	3,600,206	17.9	24.5
1968	21,602	32.2	20,066	32.2	1,536	32.3	3,501,564	17.6	24.5
1967	20,658	33.0	18,948	32.8	1,710	35.8	3,520,959	17.8	25.0
1966	21,100	34.5	19,154	34.1	1,946	39.7	3,606,274	18.4	26.1
1965	22,370	36.4	20,352	36.0	2,018	42.3	3,760,358	19.4	27.6
1964	22,782	38.4	20,794	37.9	1,988	44.4	4,027,490	21.1	29.2
1963	22,274	39.5	20,142	38.9	2,132	45.7	4,098,020	21.7	29.7
1962	21,866	40.8	19,770	40.2	2,096	47.2	4,167,362	22.4	30.5
1961	21,664	41.7	19,570	41.2	2,094	46.8	4,268,326	23.3	31.6
1960	21,154	42.1	19,138	41.7	1,966	46.4	4,257,850	23.7	32.1
1959	20,520	41.4	18,616	40.9	1,904	46.7	4,244,796	24.0	32.9
1958	19,371	40.3	17,428	39.7	1,943	47.4	4,203,812	24.3	33.0
1957	18,814	39.1	16,982	38.2	1,832	49.3	4,254,784	25.0	33.9
1956	17,947	38.2	21,604	37.2	1,907	49.5	4,168,090	24.9	33.9
1955	17,028	37.5	15,304	36.5	1,724	49.5	4,047,295	24.6	33.1
1954	16,691		15,042		1,649				

NOTE: Indian and Alaska Native rates are 3-year rates centered in the year specified. All other rates are for the year specified.

BIRTHS OF LOW BIRTH WEIGHT (UNDER 2,500 GRAMS) BY AGE OF MOTHER
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986

	Indian & Alaska Native			U.S. All Races		
Age of Mother	Total Live Births	Number Low Weight	Percent Low Weight	Total Live Births	Number Low Weight	Percent Low Weight
ALL AGES	124,123 1/	7,540	6.1	3,751,275	255,500	6.8
Under 20 years	23,832	1,504	6.3	471,422	44,090	9.4
Under 15 years	463	28	6.0	10,151	1,397	13.8
15 - 19 years	23,369	1,476	6.3	461,271	42,693	9.3
20 - 24 years	44,329	2,523	5.7	1,100,656	76,932	7.0
25 - 29 years	32,069	1,882	5.9	1,197,860	72,338	6.0
30 - 34 years	16,783	1,072	6.4	720,361	43,604	6.1
35 - 39 years	6,006	450	7.5	229,952	15,947	6.9
40 years & over	1,104	109	9.9	31,024	2,589	8.3

1/ Excludes 215 American Indian and Alaska Native live births and 5,272 U.S. All Races live births with birth weight not stated.

NOTE: Connecticut, Rhode Island and Texas became Reservation States in 1983, and Alabama in 1984.

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NUMBER AND PERCENT DISTRIBUTION OF LIVE BIRTHS
BY AGE OF MOTHER WITHIN BIRTH ORDER
American Indians and Alaska Natives in Reservation States, 1985-1987

	Total Live Births 1/	Live Birth Order 1st Child	2nd Child	3rd Child	4th Child	5th Child	6th+ Child
	American Indians and Alaska Natives						
ALL AGES	123,966	42,438	35,321	22,805	12,145	5,827	5,430
ALL AGES	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 20 years	19.2	41.5	14.4	4.1	1.1	0.4	--
20 - 24 years	35.7	37.8	45.3	36.5	23.6	13.3	4.3
25 - 29 years	25.8	14.5	27.0	35.9	38.9	36.5	23.7
30 - 34 years	13.5	4.8	10.5	17.5	25.6	32.6	37.6
35 - 39 years	4.8	1.2	2.5	5.2	9.3	14.9	26.3
40 years & over	0.9	0.2	0.3	0.7	1.5	2.4	8.1

NUMBER AND PERCENT DISTRIBUTION OF LIVE BIRTHS
BY AGE OF MOTHER WITHIN BIRTH ORDER
U.S. All Races, 1986

	Total Live Births 2/	Live Birth Order 1st Child	2nd Child	3rd Child	4th Child	5th Child	6th+ Child
	U.S. All Races						
ALL AGES	3,736,468	1,553,751	1,232,628	590,070	217,157	79,284	63,578
ALL AGES	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 20 years	12.6	23.5	7.0	2.7	1.0	0.4	0.1
20 - 24 years	29.4	34.3	30.5	23.3	17.1	11.6	4.3
25 - 29 years	31.9	27.3	35.7	36.7	34.8	30.7	20.3
30 - 34 years	19.2	11.7	20.9	27.4	31.3	34.2	34.1
35 - 39 years	6.1	2.9	5.4	9.1	13.7	19.1	30.1
40 years & over	0.8	0.3	0.5	1.0	2.1	4.1	11.0

1/ Excludes 372 American Indian and Alaska Native births with live birth order not reported.

2/ Excludes 20,079 U.S. All Races births (0.6 percent) with birth order not reported.

NOTE: Percentages may not sum to totals due to rounding.
0.0 rounds to zero.
-- Represents zero.

MATERNAL DEATHS AND DEATH RATES
American Indians and Alaska Natives and U.S. All Races, 1958-1987
(Rate per 100,000 Live Births)

Calendar Year	Indian & Alaska Native		U.S. All Races		U.S. Other than White	Ratio Indian to:	
	Number	Rate 1/	Number	Rate	Rate	U.S. All Races	U.S. Other than White
1987	2						
1986	2	8.8	272	7.2	16.0	1.2	0.6
1985	7	8.2	295	7.8	18.1	1.1	0.5
1984	1	10.8	285	7.8	16.9	1.4	0.6
1983	5	7.6	290	8.0	16.3	1.0	0.5
1982	3	8.9	292	7.9	16.4	1.1	0.5
1981	2	7.5	309	8.5	17.3	0.9	0.4
1980	3	9.0	334	9.2	19.8	1.0	0.5
1979	4	11.4	336	9.6	22.7	1.2	0.5
1978	4	11.1	321	9.6	23.0	1.2	0.5
1977	2	8.3	373	11.2	26.0	0.7	0.3
1976	1	8.7	390	12.3	26.5	0.7	0.3
1975	4	11.8	340	12.8	29.0	0.9	0.4
1974	4	16.3	462	14.6	35.1	1.1	0.5
1973	4	23.7	477	15.2	34.6	1.6	0.7
1972	9	30.8	612	18.8	38.5	1.6	0.8
1971	9	35.0	668	18.8	45.3	1.9	0.8
1970	7	32.3	803	21.5	55.9	1.5	0.6
1969	6	32.8	801	22.2	55.7	1.5	0.6
1968	9	37.0	859	24.5	63.6	1.5	0.6
1967	7	49.1	987	28.0	69.5	1.8	0.7
1966	16	54.6	1,049	29.1	72.4	1.9	0.8
1965	12	63.4	1,189	31.6	83.7	2.0	0.8
1964	14	74.2	1,343	33.3	89.9	2.2	0.8
1963	24	83.7	1,466	35.8	96.9	2.3	0.8
1962	18	89.7	1,465	35.2	95.9	2.5	0.9
1961	17	66.5	1,573	36.9	101.3	1.8	0.7
1960	8	67.9	1,579	37.1	97.9	1.8	0.7
1959	18	68.8	1,588	37.4	102.1	1.8	0.7
1958	16	82.6	1,581	37.6	101.8	2.2	0.8

1/ Indian and Alaska Native rates are 3-year rates centered in the year specified. All other rates are for the year specified.

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INFANT MORTALITY RATES
American Indians and Alaska Natives and Selected U.S. Populations, 1955-1986
(Rate per 1,000 Live Births)

Calendar Year	Indian & Alaska Native	Indian	Alaska Native	U.S. All Races	U.S. Other than White	U.S. Black	Ratio Indian to: U.S. All Races	U.S. Other than White	U.S. Black
1986	9.8	9.5	13.9	10.4	15.7	18.0	0.9	0.6	0.5
1985	9.7	9.3	14.6	10.6	15.8	18.2	0.9	0.6	0.5
1984	9.8	9.4	16.0	10.8	16.1	18.4	0.9	0.6	0.5
1983	10.2	9.7	17.0	11.2	16.8	19.2	0.9	0.6	0.5
1982	11.0	10.6	16.3	11.5	17.3	19.6	1.0	0.6	0.6
1981	11.9	11.6	17.3	11.9	17.8	20.0	1.0	0.7	0.6
1980	13.8	13.4	20.4	12.6	19.1	21.4	1.1	0.7	0.6
1979	14.6	14.1	21.4	13.1	19.8	21.8	1.1	0.7	0.7
1978	15.5	15.1	20.5	13.8	21.1	23.1	1.1	0.7	0.7
1977	16.4	16.1	21.4	14.1	21.7	23.6	1.2	0.8	0.7
1976	17.7	17.4	21.9	15.2	23.5	25.5	1.2	0.8	0.7
1975	18.7	18.2	25.3	16.1	24.2	26.2	1.2	0.8	0.8
1974	18.8	18.4	24.0	16.7	24.9	26.8	1.1	0.8	0.7
1973	19.7	19.4	24.2	17.7	26.2	28.1	1.1	0.8	0.7
1972	21.3	21.1	24.1	18.5	27.7	29.6	1.2	0.8	0.7
1971	22.7	22.5	24.6	19.1	28.5	30.3	1.2	0.8	0.7
1970	24.6	24.3	28.1	20.0	30.9	32.6	1.2	0.8	0.8
1969	27.1	26.6	32.2	20.9	32.9	34.8	1.3	0.8	0.8
1968	30.0	28.9	42.6	21.8	34.5	36.2	1.4	0.9	0.8
1967	34.0	32.6	49.5	22.4	35.9	37.5	1.5	0.9	0.9
1966	36.8	38.4	57.6	23.7	38.8	40.2	1.6	0.9	0.9
1965	38.5	40.2	57.3	24.7	40.3	41.7	1.6	1.0	0.9
1964	40.0	38.4	56.9	24.8	41.1	42.3	1.6	1.0	0.9
1963	41.8	40.2	57.4	25.2	41.5	42.8	1.7	1.0	1.0
1962	44.1	42.3	60.4	25.3	41.4	42.6	1.7	1.1	1.0
1961	46.3	43.9	68.9	25.3	40.7	41.8	1.8	1.1	1.1
1960	48.0	45.5	72.1	26.0	43.2	44.3	1.8	1.1	1.1
1959	52.5	50.2	74.0	26.4	44.0	44.8	2.0	1.2	1.2
1958	55.8	53.7	75.2	27.1	45.7	46.3	2.0	1.2	1.2
1957	59.2	57.0	78.7	26.3	43.7	44.2	2.3	1.4	1.3
1956	60.7	58.5	80.9	26.0	42.1	42.4	2.3	1.4	1.4
1955	62.7	60.9	79.5	26.4	42.8	43.1	2.4	1.5	1.5

NOTE: Indian and Alaska Native rates are 3-year rates centered in the year specified. All other rates are for the year specified.

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INFANT MORTALITY RATES BY AGE
American Indians and Alaska Natives and U.S. All Races, 1966-1986
(Rate per 1,000 Live Births)

Calendar Year	Infant Mortality Rate	Neonatal				Postneonatal
		Total	Under 1 Day	1-6 Days	7-27 Days	28 Days-11 Months
		Indians and Alaska Natives				
1985-1987	9.8	4.7	2.4	1.2	1.1	5.1
1984-1986	9.7	4.4	2.3	1.2	0.9	5.2
1983-1985	9.8	4.6	2.4	1.2	1.0	5.3
1982-1984	10.2	4.6	2.4	1.2	1.0	5.6
1981-1983	11.0	5.0	2.5	1.3	1.1	6.1
1980-1982	11.9	5.5	2.8	1.6	1.1	6.5
1979-1981	13.8	6.6	3.3	2.0	1.3	7.2
1978-1980	14.6	7.3	3.7	2.3	1.3	7.2
1977-1979	15.5	7.8	3.9	2.5	1.3	7.6
1976-1978	16.4	8.2	4.4	2.5	1.3	8.2
1975-1977	17.7	8.8	4.8	2.7	1.3	8.9
1974-1976	18.7	9.2	5.1	2.8	1.3	9.5
1973-1975	18.8	9.2	4.8	3.0	1.4	9.6
1972-1974	19.7	9.3	5.0	2.9	1.4	10.4
1971-1973	21.3	10.3	5.8	3.0	1.4	11.0
1970-1972	22.7	11.0	6.5	2.9	1.6	11.6
1969-1971	24.6	12.2	6.8	3.6	1.8	12.3
1968-1970	27.1	12.9	7.0	3.9	2.0	14.1
1967-1969	30.0	14.3	7.8	4.5	2.0	15.7
1966-1968	34.0	15.7	8.4	4.9	2.3	18.4
1965-1967	36.8	16.1	8.6	5.1	2.4	20.7
		U.S. All Races				
1986	10.4	6.7	3.9	1.7	1.1	3.6
1985	10.8	7.0	4.0	1.8	1.1	3.7
1984	10.8	7.0	4.1	1.8	1.1	3.8
1983	11.2	7.3	4.3	1.9	1.2	3.9
1982	11.5	7.7	4.4	2.0	1.3	3.8
1981	11.9	8.0	4.5	2.3	1.3	3.9
1980	12.6	8.5	4.6	2.4	1.4	4.1
1979	13.1	8.9	4.8	2.7	1.4	4.2
1978	13.8	9.5	5.1	2.9	1.5	4.3
1977	14.1	9.9	5.3	3.1	1.5	4.2
1976	15.2	10.9	5.9	3.1	1.6	4.3
1975	16.1	11.6	6.3	3.7	1.6	4.5
1974	16.7	12.3	6.7	3.7	1.6	4.4
1973	17.7	13.0	7.2	4.2	1.5	4.7
1972	18.5	13.7	8.1	4.3	1.3	4.8
1971	19.1	14.2	8.2	4.6	1.4	4.9
1970	20.0	15.1	8.8	4.8	1.5	4.9
1969	20.9	15.6	9.2	4.9	1.5	5.3
1968	21.8	16.1	9.5	5.1	1.5	5.7
1967	22.4	16.5	9.6	5.3	1.6	5.9
1966	23.7	17.2	10.0	5.6	1.6	6.5

SOURCE (U.S. All Races Data): Monthly Vital Statistics Report, NCHS, Vol. 35 No. 6, Supplement (2), September 26, 1986, and neonatal by age - unpublished from NCHS.

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LEADING CAUSES OF INFANT DEATHS BY AGE
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 1,000 Live Births)

	Indian & Alaska Native		U.S. All Races	U.S. Other than White	Ratio Indian to:	
	Number	Rate	Rate	Rate	U.S. All Races	U.S. Other than White
Total Infant Deaths						
ALL CAUSES	1,215	9.8	10.4	15.7	0.9	0.6
Sudden infant death syndrome	285	2.3	1.4	2.1	1.6	1.1
Congenital anomalies	220	1.8	2.2	2.2	0.8	0.8
Accidents	68	0.5	0.2	0.4	2.5	1.3
Respiratory distress syndrome	67	0.5	0.9	1.2	0.6	0.4
Disorders relating to short gestation and low birthweight	61	0.5	0.9	1.9	0.6	0.3
Pneumonia and influenza	44	0.4	0.2	0.3	2.0	1.3
Newborn affected by maternal complications of pregnancy	29	0.2	0.4	0.5	0.5	0.4
Infections specific to the perinatal period	29	0.2	0.2	0.4	1.0	0.5
Intrauterine hypoxia and birth asphyxia	24	0.2	0.3	0.4	0.7	0.5
Meningitis	19	0.2	0.1	0.1	2.0	2.0
All other causes	369					
Neonatal Deaths						
ALL CAUSES	581	4.7	6.7	10.1	0.7	0.5
Congenital anomalies	156	1.3	1.6	1.5	0.8	0.9
Disorders relating to short gestation and low birthweight	60	0.5	0.9	1.8	0.6	0.3
Respiratory distress syndrome	59	0.5	0.8	1.2	0.6	0.4
Sudden infant death syndrome	30	0.2	0.1	0.2	2.0	1.0
Newborn affected by maternal complications of pregnancy	28	0.2	0.4	0.5	0.5	0.4
Infections specific to the perinatal period	27	0.2	0.2	0.4	1.0	0.5
Intrauterine hypoxia and birth asphyxia	23	0.2	0.2	0.4	1.0	0.5
Newborn affected by complications of placenta, cord, and membranes	14	0.1	0.2	0.3	0.5	0.3
Neonatal Hemorrhage	8	0.1	0.1	0.2	1.0	0.5
Accidents	6	0.0	0.0	0.0	*	*
All other causes	170					

LEADING CAUSES OF INFANT DEATHS BY AGE
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 1,000 Live Births)
(continued)

	Indian & Alaska Native		U.S. All Races	U.S. Other than White	Ratio Indian to:	
	Number	Rate	Rate	Rate	U.S. All Races	U.S. Other than White
	Postneonatal Deaths					
ALL CAUSES	634	5.1	3.6	5.6	1.4	0.9
Sudden infant death syndrome	255	2.1	1.3	1.9	1.6	1.1
Congenital anomalies	64	0.5	0.6	0.7	0.8	0.7
Accidents	62	0.5	0.2	0.4	2.5	1.3
Pneumonia and influenza	39	0.3	0.1	0.2	3.0	1.5
Meningitis	18	0.1	0.0	0.1	*	1.0
Septicemia	14	0.1	0.1	0.1	1.0	1.0
Viral Diseases	9	0.1	0.0	0.0	*	*
Gastritis, duodenitis, and non-infective enteritis and colitis	8	0.1	0.0	0.0	*	*
Respiratory Distress Syndrome	8	0.1	0.1	0.1	1.0	1.0
Homicide	8	0.1	0.1	0.1	1.0	1.0
All other causes	149					

NOTE: 0.0 Rounds to zero. * Not applicable. Connecticut, Rhode Island and Texas included as Reservation States beginning in 1983, and Alabama beginning in 1984.

SOURCE: National Center for Health Statistics (NCHS), U.S. infant mortality rates (all ages)--Monthly Vital Statistics Report, Vol., 35 No., 6, Supplement (2), September 26, 1986, Table 14: Infant mortality rates by age are unpublished data from NCHS.

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TEN LEADING CAUSES OF DEATH FOR DECEDENTS 15 TO 24 YEARS OF AGE
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 100,000 Population)

Cause of Death	Indian & Alaska Native		U.S. All Races	Ratio Indian to U.S.
	Number	Rate	Rate	All Races
TOTAL	1,577	157.5	102.3	1.5
Accidents	887	88.6	51.2	1.7
Motor vehicle	614	61.3	39.0	1.6
Other accidents	273	27.3	12.2	2.2
Suicide	240	24.0	13.1	1.8
Homicide	201	20.1	14.2	1.4
Malignant neoplasms	36	3.6	5.4	0.7
Diseases of the heart	20	2.0	2.8	0.7
Cerebrovascular diseases	10	1.0	0.7	1.4
Chronic liver disease and cirrhosis	8	0.8	0.2	4.0
Congenital anomalies	7	0.7	1.3	0.5
Complications of pregnancy, childbirth & puerperium	6	0.6	0.2	3.0
Pneumonia and influenza	5	0.5	0.7	0.7
All other causes	157			

NOTE: Connecticut, Rhode Island and Texas included as Reservation States beginning in 1983, and Alabama in 1984.

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TEN LEADING CAUSES OF DEATH FOR DECEDENTS 1 TO 14 YEARS OF AGE
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 100,000 Population)

Cause of Death	Indian & Alaska Native		U.S. All Races	Ratio Indian to U.S.
	Number	Rate	Rate	All Races
TOTAL	653	48.8	33.7	1.4
Accidents	368	27.5	14.8	1.9
Motor vehicle	174	13.0	7.9	1.6
Other accidents	194	14.5	7.8	1.9
Malignant neoplasms	35	2.6	3.6	0.7
Congenital anomalies	34	2.5	2.8	0.9
Homicide	26	1.9	1.6	1.2
Diseases of the heart	23	1.7	1.4	1.2
Suicide	19	1.4	0.5	2.8
Pneumonia and influenza	12	0.9	0.7	1.3
Meningitis	6	0.4	0.4	1.0
Septicemia	5	0.4	0.3	1.3
Benign neoplasms	5	0.4	0.3	1.3
All other causes	120			

NOTE: 0.0 Rounds to zero.

Connecticut, Rhode Island and Texas included as Reservation States beginning in 1983, and Alabama in 1984.

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TEN LEADING CAUSES OF DEATH FOR DECEDENTS 45 TO 64 YEARS OF AGE
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 100,000 Population)

Cause of Death	Indian & Alaska Native Number	Indian & Alaska Native Rate	U.S. All Races Rate	Ratio Indian to U.S. All Races
TOTAL	5,192	892.0	875.1	1.0
Diseases of the heart	1,423	244.5	282.6	0.9
Malignant neoplasms	983	168.9	303.2	0.6
Accidents	502	86.2	32.7	2.6
Motor vehicle	254	43.6	15.1	2.9
Other accidents	248	42.6	17.6	2.4
Chronic liver disease and cirrhosis	421	72.3	26.2	2.8
Diabetes mellitus	296	50.9	17.6	2.9
Cerebrovascular diseases	206	35.4	36.4	1.0
Pneumonia and influenza	111	19.1	12.8	1.5
Chronic obstructive pulmonary diseases and allied cond.	108	18.6	28.2	0.7
Nephritis, nephrotic syndrome and nephrosis	100	17.2	6.3	2.7
Homicide	77	13.2	6.9	1.9
All other causes	965			

NOTE: Connecticut, Rhode Island and Texas included as Reservation States beginning in 1983, and Alabama in 1984.

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TEN LEADING CAUSES OF DEATH FOR DECEDENTS 25 TO 44 YEARS OF AGE
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 100,000 Population)

Cause of Death	Indian & Alaska Native Number	Indian & Alaska Native Rate	U.S. All Races Rate	Ratio Indian to U.S. All Races
TOTAL	3,539	298.1	167.3	1.8
Accidents	1,283	108.1	35.9	3.0
Motor vehicle	800	67.4	20.9	3.2
Other accidents	483	40.7	14.9	2.7
Chronic liver disease and cirrhosis	341	28.7	5.7	5.0
Diseases of the heart	302	25.4	21.2	1.2
Homicide	299	25.2	14.1	1.8
Suicide	297	25.0	15.5	1.6
Malignant neoplasms	228	19.2	27.2	0.7
Cerebrovascular diseases	59	5.0	4.4	1.1
Pneumonia and influenza	58	4.9	2.6	1.9
Diabetes mellitus	39	3.3	2.4	1.4
Nephritis, nephrotic syndrome and nephrosis	20	1.7	0.9	1.9
All other causes	613			

NOTE: Connecticut, Rhode Island and Texas included as Reservation States beginning in 1983, and Alabama in 1984.

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TEN LEADING CAUSES OF DEATH FOR DECEDENTS OF ALL AGES
American Indians and Alaska Natives, 1985-1987
(Rate per 100,000 Population)

Cause of Death	Number	Rate
ALL CAUSES	21,196	476.4
Diseases of the heart	4,975	111.8
Accidents	3,429	77.1
Motor vehicle	1,959	44.0
Other accidents	1,470	33.0
Malignant neoplasms	2,861	64.3
Cerebrovascular diseases	977	22.0
Chronic liver disease and cirrhosis	897	20.2
Diabetes mellitus	741	16.7
Pneumonia and influenza	719	16.2
Suicide	636	14.3
Homicide	631	14.2
Chronic obstructive pulmonary diseases	436	9.8
All other causes	4,894	

NOTE: Connecticut, Rhode Island and Texas included as Reservation States beginning in 1983, and Alabama in 1984. Includes 17 deaths with age not reported.

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TEN LEADING CAUSES OF DEATH FOR DECEDENTS 65 YEARS OLD AND OLDER
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 100,000 Population)

Cause of Death	Indian & Alaska Native		U.S. All Races	Ratio Indian to U.S.
	Number	Rate	Rate	All Races
TOTAL	9,001	3,850.4	5,102.0	0.8
Diseases of the heart	3,170	1,356.1	2,122.2	0.6
Malignant neoplasms	1,576	674.2	1,056.6	0.6
Cerebrovascular diseases	693	296.5	443.5	0.7
Pneumonia and influenza	489	209.2	208.5	1.0
Diabetes mellitus	403	172.4	93.4	1.8
Accidents	314	134.3	86.2	1.6
Motor vehicle	92	39.4	22.0	1.8
Other accidents	222	95.0	64.2	1.5
Chronic obstructive pulmonary diseases and allied cond.	308	131.8	214.8	0.6
Nephritis, nephrotic syndrome and nephrosis	177	75.7	61.2	1.2
Chronic liver disease and cirrhosis	126	53.9	33.9	1.6
Septicemia	108	46.2	50.8	0.9
All other causes	1,637			

NOTE: Connecticut, Rhode Island and Texas included as Reservation States beginning in 1983, and Alabama in 1984.

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LEADING CAUSES OF DEATH BY SEX
American Indians and Alaska Natives, 1985-1987
(Rate per 100,000 Population)

Male			Female		
Cause of Death	Number	Rate	Cause of Death	Number	Rate
ALL CAUSES	12,466	580.0	ALL CAUSES	8,730	387.2
Diseases of the heart	2,913	132.7	Diseases of the heart	2,062	91.5
Accidents	2,496	113.7	Malignant neoplasms	1,400	62.1
Motor vehicle	1,399	63.7	Accidents	933	41.4
Other accidents	1,097	50.0	Motor vehicle	560	24.8
Malignant neoplasms	1,461	66.6	Other accidents	373	16.5
Suicide	525	23.9	Cerebrovascular diseases	520	23.1
Chronic liver disease & cirrhosis	502	22.9	Diabetes mellitus	439	19.5
Homicide	494	22.5	Chronic liver disease & cirrhosis	395	17.5
Cerebrovascular diseases	457	20.8	Pneumonia & influenza	288	12.8
Pneumonia & influenza	431	19.6	Nephritis, nephrotic syndrome, and nephrosis	188	8.3
Diabetes mellitus	302	13.8	Congenital anomalies	162	7.2
Chronic obstructive pulmonary diseases and allied conditions	280	12.8	Chronic obstructive pulmonary diseases and allied conditions	156	6.9
All other causes	2,605		All other causes	2,187	

NOTE: Connecticut, Rhode Island and Texas included as Reservation States beginning in 1983, and Alabama in 1984.

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AGE-ADJUSTED MORTALITY RATES
American Indians and Alaska Natives and Selected U.S. Populations, 1987
(Rate Per 100,000 Population)

	Indian & Alaska Native	United States			Ratio Indian to U.S. All Races
		All Races	White	All Other	
ALL CAUSES	571.7	535.5	511.1	688.0	1.1
Major cardiovas. disease	177.9	210.6	203.6	258.6	0.8
Diseases of heart	142.8	169.6	165.0	199.9	0.8
Cerebrovascular diseases	28.5	30.3	28.1	45.8	0.9
Atherosclerosis	2.3	3.6	3.6	3.4	0.6
Hypertension	1.2	1.8	1.4	4.5	0.7
Malignant neoplasms	84.9	132.9	130.1	153.0	0.6
Accidents	82.6	34.6	33.9	39.7	2.4
Motor vehicle	46.8	19.5	19.8	17.9	2.4
All other	35.9	15.2	14.0	21.7	2.4
Chronic liver disease and cirrhosis	26.9	9.1	8.4	13.2	3.0
Diabetes mellitus	23.4	9.8	8.7	17.9	2.4
Pneumonia and influenza	18.9	13.1	12.5	16.4	1.4
Suicide	15.0	11.7	12.5	6.9	1.3
Homicide	14.1	8.6	5.3	26.4	1.6
Chronic obstructive pulmonary diseases and allied conditions	13.5	18.7	19.2	14.1	0.7
Tuberculosis, all forms	2.5	0.5	0.3	1.7	5.0

SOURCE: (for U.S. Mortality Rates) Monthly Vital Statistics Report, NCHS, DHHS Pub. No. (PHS)87-1120, Vol. 36, No. 5, Supplement.

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AGE-SPECIFIC MORTALITY RATES
American Indians and Alaska Natives, 1985-1987 and Selected U.S. Populations, 1986
(Rate per 100,000 Population)

Age	Indian & Alaska Native		U.S. Rate			Ratio Indian to U.S. All Races
	Number	Rate	All Races	White	All Other	
Under 1	1,215	1,140.0	1,032.1	870.7	1,719.2	1.1
1 - 4	328	87.9	52.0	46.6	75.0	1.7
5 - 14	325	33.6	26.0	24.4	32.5	1.3
15 - 24	1,577	157.3	102.3	98.8	118.9	1.5
25 - 34	1,790	249.7	132.1	115.1	223.4	1.9
35 - 44	1,749	370.8	212.9	184.6	387.9	1.7
45 - 54	2,199	649.5	504.8	458.7	796.1	1.3
55 - 64	2,993	1,225.6	1,225.1	1,193.8	1,719.2	1.0
65 - 74	3,621	2,399.1	2,801.4	2,741.2	3,321.2	0.9
75 - 84	3,357	5,182.6	6,348.2	6,312.6	6,708.3	0.8
85 +	2,023	11,022.1	15,398.9	15,639.1	12,917.6	0.7

SOURCE: U.S. Data by Race: National Center for Health Statistics, HHS, Monthly Vital Statistics Report, Vol. 35, No. 6, Supplement (2) Advance Report-Final Mortality Statistics, 1984, and unpublished data from NCHS.

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NUMBER AND PERCENT DISTRIBUTION OF DEATHS BY AGE AND SEX
American Indians and Alaska Natives, 1985-1987 and
Selected U.S. Populations, 1986

Indian and Alaska Native

Age Group	Both Sexes		Male		Female	
	Number	Percent	Number	Percent	Number	Percent
ALL AGES	21,196	100.0	12,466	100.0	8,730	100.0
Under 1	1,215	5.7	683	5.5	532	6.1
1 to 4	328	1.5	204	1.6	124	1.4
5 to 14	325	1.5	206	1.7	119	1.4
15 to 24	1,577	7.4	1,204	9.7	373	4.3
25 to 34	1,790	8.4	1,260	10.1	530	6.1
35 to 44	1,749	8.3	1,159	9.3	590	6.8
45 to 54	2,199	10.4	1,360	10.9	839	9.6
55 to 64	2,993	14.1	1,730	13.9	1,263	14.5
65 to 74	3,621	17.1	2,034	16.3	1,587	18.2
75 to 84	3,357	15.8	1,735	13.9	1,622	18.6
85 and over	2,023	9.5	879	7.1	1,144	13.1
Age Not Stated	19	0.1	12	0.1	7	0.1

United States

	All Races	White	Black
NUMBER OF DEATHS ALL AGES	2,105,361	1,831,083	250,326
PERCENT DISTRIBUTION ALL AGES	100.0	100.0	100.0
Under 1	1.8	1.5	4.5
1 to 4	0.4	0.3	0.7
5 to 14	0.4	0.4	0.7
15 to 24	1.9	1.7	2.8
25 to 34	2.7	2.3	5.5
35 to 44	3.3	2.9	6.5
45 to 54	5.5	4.9	9.0
55 to 64	13.3	12.8	16.5
65 to 74	23.1	23.3	22.0
75 to 84	27.3	28.3	20.3
85 and over	20.3	21.6	11.4
Age Not Stated	0.0	0.0	0.1

NOTE: (0.0) Rounds to zero

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ACCIDENT DEATHS AND MORTALITY RATES
American Indians and Alaska Natives and U.S. All Races, 1955-1987
(Age-Adjusted Rate per 100,000 Population)

Calendar Year	Indian & Alaska Native				U.S. All Races			U.S. Other Than White		
	Total Deaths	All Accidents	Motor Vehicle	Other	All Accidents	Motor Vehicle	Other	All Accidents	Motor Vehicle	Other
1987	1,166	82.6	46.8	35.9	34.6	19.5	15.2	39.7	17.9	21.7
1986	1,185	83.2	47.7	35.5	35.2	19.4	15.7	39.9	18.1	21.7
1985	1,075	77.7	42.6	35.1	34.7	18.8	16.0	39.7	17.4	22.3
1984	1,078	81.2	41.9	39.3	35.0	19.1	15.9	38.5	16.6	21.9
1983	1,065	83.0	44.6	38.3	35.3	18.5	16.8	40.2	16.4	23.7
1982	1,135	94.7	49.9	44.8	36.6	19.3	17.3	40.8	16.8	23.9
1981	1,124	92.8	54.1	38.7	39.8	21.8	18.0	44.0	18.6	25.4
1980	1,255	107.3	61.3	46.0	42.3	22.9	19.5	49.5	20.3	29.3
1979	1,248	109.3	60.2	49.1	43.7	23.7	20.0	50.5	21.5	29.0
1978	1,302	127.4	71.5	55.9	44.3	23.4	20.9	52.6	22.4	30.1
1977	1,226	125.5	71.8	53.7	43.8	22.4	21.4	53.1	21.9	31.2
1976	1,215	131.9	74.5	57.4	43.2	21.5	21.7	53.2	21.9	31.3
1975	1,256	143.6	78.5	65.1	44.8	21.3	23.5	56.9	22.5	34.4
1974	1,110	138.7	72.9	65.7	46.0	21.8	24.2	58.5	23.2	35.3
1973	1,341	175.5	101.8	73.7	51.7	26.4	25.3	67.5	30.0	37.6
1972	1,254	173.2	99.7	73.5	52.0	27.0	25.0	68.8	30.6	38.1
1971	1,134	170.3	89.6	80.7	52.0	26.6	25.3	71.6	31.3	40.4
1970	1,107	181.8	98.5	83.3	53.7	27.4	26.3	72.8	30.9	41.9
1969	1,139	194.4	99.1	95.3	55.3	28.5	26.8	75.5	33.7	41.8
1968	1,051	183.0	94.5	88.5	55.1	28.4	26.7	77.0	33.3	43.7
1967	1,000	178.9	95.5	83.4	54.8	27.8	27.0	73.2	31.1	42.1
1966	1,003	185.2	92.4	92.8	55.6	28.3	27.3	75.8	31.6	44.1
1965	951	186.7	91.9	94.8	53.4	26.6	26.8	70.8	29.2	41.5
1964	912	208.5	97.3	111.1	52.0	25.7	26.3	68.4	27.5	40.8
1963	835	172.5	78.0	94.5	50.9	24.3	26.6	68.2	26.5	41.7
1962	744	176.2	87.6	88.6	49.7	23.1	26.6	66.5	25.2	41.3
1961	822	188.8	91.5	97.4	48.1	22.1	26.1	63.3	23.9	39.4
1960	773	186.1	91.9	94.6	49.9	22.5	27.4	67.3	24.4	42.9
1959	794	197.4	98.3	99.1	49.9	22.8	27.1	66.1	25.0	41.1
1958	709	172.3	87.4	84.9	49.8	22.5	27.3	66.7	24.7	42.0
1957	743	185.1	94.9	90.0	53.4	24.1	29.3	71.0	27.3	43.7
1956	794	195.5	106.2	89.4	54.4	25.2	29.2	72.0	29.5	42.5
1955	714	184.0	97.6	90.3	54.3	24.6	29.7	71.1	28.1	43.0

NOTE: Estimated population methodology for the Indian population revised in 1976. Maine, New York and Pennsylvania included as Reservation States beginning in 1979, Connecticut, Rhode Island and Texas in 1983 and Alabama in 1984. Decennial Census population counts used for 1960, 1970 and 1980.

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ACCIDENT DEATHS BY CAUSE, AGE AND SEX
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 100,000 Population)

	Male				Female			
	Indian & Alaska Native		U.S. All Races	Ratio Indian to U.S. All Races	Indian & Alaska Native		U.S. All Races	Ratio Indian to U.S. All Races
	Number	Rate	Rate		Number	Rate	Rate	
Motor Vehicle Accidents								
Under 1 year	17	31.6	4.9	6.4	7	13.3	4.8	2.8
1 to 4 years	49	25.9	7.8	3.3	26	14.2	6.2	2.3
5 to 14 years	61	12.5	8.9	1.4	38	8.0	4.9	1.6
15 to 24 years	465	92.6	58.2	1.6	149	29.9	19.5	1.5
25 to 34 years	376	107.3	37.7	2.8	148	40.5	10.3	3.8
35 to 44 years	193	84.4	24.8	3.4	83	34.3	8.6	4.0
45 to 54 years	117	72.0	21.9	3.3	52	29.6	8.6	3.4
55 to 64 years	62	53.7	21.0	2.6	23	17.9	9.9	1.8
65 to 74 years	37	54.4	22.8	2.4	15	18.1	13.9	1.3
75 to 84 years	18	63.9	43.8	1.5	15	41.1	19.9	2.1
85 years and over	4	54.8	52.8	1.0	3	27.2	14.4	1.9
Other Accidents								
Under 1 year	26	48.3	20.6	2.3	18	34.3	17.8	1.9
1 to 4 years	68	35.9	15.9	2.3	30	16.3	10.8	1.5
5 to 14 years	71	14.5	7.9	1.8	25	5.2	3.0	1.7
15 to 24 years	226	45.0	20.3	2.2	47	9.4	3.9	2.4
25 to 34 years	216	61.7	25.5	2.4	56	15.3	5.1	3.0
35 to 44 years	168	73.4	23.9	3.1	43	17.7	5.5	3.2
45 to 54 years	97	59.7	25.3	2.4	35	19.9	6.5	3.1
55 to 64 years	86	74.5	30.1	2.5	30	23.4	10.4	2.2
65 to 74 years	65	95.5	43.8	2.2	37	44.7	21.2	2.1
75 to 84 years	44	156.2	101.1	1.5	27	73.9	63.4	1.2
85 years and over	24	328.9	301.7	1.1	25	226.6	197.4	1.1

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SUICIDE DEATHS AND MORTALITY RATES
American Indians and Alaska Natives and U.S. All Races, 1955-1987
(Age-Adjusted Rate per 100,000 Population)

Calendar Year	Indian & Alaska Native		U.S. All Races		U.S. Other than White	Ratio Indian to:	
	Number	Rate	Number	Rate	Rate	U.S. All Races	U.S. Other than White
1987	221	15.0	30,796	11.7	6.9	1.3	2.2
1986	211	15.0	30,904	11.9	6.8	1.3	2.2
1985	204	14.1	29,453	11.5	6.7	1.2	2.1
1984	181	12.9	29,286	11.6	6.6	1.1	2.0
1983	196	14.7	28,295	11.4	6.4	1.3	2.3
1982	178	13.6	28,242	11.6	6.4	1.2	2.1
1981	191	15.5	27,596	11.5	6.8	1.3	2.3
1980	173	14.1	26,869	11.4	6.7	1.2	2.1
1979	188	16.1	27,204	11.7	7.9	1.4	2.0
1978	150	14.0	27,294	12.0	7.4	1.2	1.9
1977	199	20.5	28,681	12.9	7.8	1.6	2.6
1976	168	17.9	26,832	12.3	7.6	1.5	2.4
1975	180	21.2	27,063	12.6	7.5	1.7	2.8
1974	148	18.0	25,683	12.2	7.2	1.5	2.5
1973	149	19.8	25,118	12.0	7.2	1.7	2.8
1972	138	18.5	25,004	12.1	7.5	1.5	2.5
1971	135	19.9	24,092	11.9	7.0	1.7	2.8
1970	105	17.9	22,630	11.8	6.5	1.5	2.8
1969	94	16.8	22,364	11.3	6.3	1.5	2.7
1968	90	17.5	21,372	11.0	5.7	1.6	3.1
1967	94	16.2	21,325	11.1	6.1	1.5	2.7
1966	64	15.2	21,281	11.2	6.1	1.4	2.5
1965	65	12.9	21,507	11.4	6.1	1.1	2.1
1964	52	15.8	20,588	11.0	5.6	1.4	2.8
1963	66	15.6	20,825	11.3	6.0	1.4	2.6
1962	59	16.9	20,207	11.1	5.6	1.5	3.0
1961	61	16.7	18,999	10.5	5.6	1.6	3.0
1960	57	16.8	19,041	10.6	5.4	1.6	3.1
1959	57	17.0	18,633	10.6	5.5	1.6	3.1
1958	61	18.7	18,519	10.5	5.1	1.8	3.7
1957	58	17.6	16,632	9.6	4.7	1.8	3.7
1956	45	12.5	16,727	9.7	4.4	1.3	2.8
1955	39	11.9	16,760	9.9	4.3	1.2	2.8

NOTE: Estimated population methodology for the Indian population revised in 1976. Maine, New York and Pennsylvania included as Reservation States beginning in 1979, Connecticut, Rhode Island and Texas in 1983 and Alabama in 1984. Decennial Census population counts used for 1960, 1970 and 1980.

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SUICIDE MORTALITY RATES BY AGE AND SEX
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 100,000 Population)

	Indian & Alaska Native		
	Both Sexes	Male	Female
Under 5 years	--	--	--
5 - 14 years	2.0	2.7	1.3
15 - 24 years	24.0	40.8	7.0
25 - 34 years	28.8	50.0	8.5
35 - 44 years	19.3	31.9	7.4
45 - 54 years	11.5	17.9	5.7
55 - 64 years	9.8	14.7	5.5
65 - 74 years	9.3	14.7	4.8
75 - 84 years	3.1	7.1	--
85 years +	5.5	13.7	--

	U.S. All Races		
	Both Sexes	Male	Female
Under 5 years	--	--	--
5 - 14 years	0.8	1.1	0.3
15 - 24 years	13.1	21.7	4.4
25 - 34 years	15.7	25.5	5.9
35 - 44 years	15.2	23.0	7.6
45 - 54 years	16.4	24.4	8.8
55 - 64 years	17.0	26.7	8.4
65 - 74 years	19.7	35.5	7.2
75 - 84 years	25.2	54.8	7.5
85 years +	20.8	61.6	4.7

	U.S. Other than White		
	Both Sexes	Male	Female
Under 5 years	--	--	--
5 - 14 years	0.6	0.9	0.3
15 - 24 years	7.7	12.7	2.7
25 - 34 years	11.8	20.1	4.2
35 - 44 years	9.3	16.5	3.3
45 - 54 years	7.5	12.1	3.6
55 - 64 years	7.2	10.7	4.3
65 - 74 years	9.2	16.9	3.5
75 - 84 years	8.3	16.4	3.1
85 years +	7.8	20.0	1.8

NOTE: -- Represents zero.

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HOMICIDE DEATHS AND MORTALITY RATES
American Indians and Alaska Natives and U.S. All Races, 1955-1987
(Age-Adjusted Rate per 100,000 Population)

Calendar Year	Indian & Alaska Native		U.S. All Races		U.S. Other than White	Ratio Indian to:	
	Number	Rate	Number	Rate	Rate	U.S. All Races	U.S. Other than White
1987	199	14.1	21,103	8.6	26.4	1.6	0.5
1986	240	16.3	21,731	9.0	27.2	1.8	0.6
1985	191	14.3	19,893	8.3	24.4	1.7	0.6
1984	189	14.5	19,796	8.4	24.9	1.7	0.6
1983	217	16.4	20,191	8.6	26.4	1.9	0.6
1982	188	14.9	22,358	9.7	30.0	1.5	0.5
1981	207	17.9	23,646	10.4	33.3	1.7	0.5
1980	212	18.1	24,278	10.8	35.0	1.7	0.5
1979	209	18.9	22,550	10.4	36.0	1.8	0.5
1978	218	21.2	20,432	9.6	33.4	2.2	0.6
1977	197	20.9	19,968	9.6	34.5	2.2	0.6
1976	185	21.6	19,554	9.5	36.4	2.3	0.6
1975	185	21.9	21,310	10.5	41.1	2.1	0.5
1974	203	26.4	21,465	10.8	44.5	2.4	0.6
1973	196	27.2	20,465	10.5	44.4	2.6	0.6
1972	159	23.2	19,638	10.3	46.6	2.3	0.5
1971	149	24.5	18,787	10.0	46.8	2.5	0.5
1970	125	23.8	16,848	9.1	41.3	2.6	0.6
1969	132	22.5	15,477	8.6	40.5	2.6	0.6
1968	116	22.2	14,686	8.2	38.8	2.7	0.6
1967	110	20.3	13,425	7.7	36.3	2.6	0.6
1966	79	20.3	11,606	6.7	31.9	3.0	0.6
1965	102	19.7	10,712	6.3	29.8	3.1	0.7
1964	84	23.6	9,814	5.8	27.6	4.1	0.9
1963	85	22.3	9,225	5.5	26.6	4.1	0.8
1962	80	21.0	9,013	5.5	26.3	3.8	0.8
1961	63	20.9	8,578	5.3	24.9	3.9	0.8
1960	80	19.5	8,464	5.3	25.8	3.7	0.8
1959	62	20.5	8,159	5.1	25.8	4.0	0.8
1958	69	20.4	7,815	4.9	25.3	4.2	0.8
1957	73	21.8	7,641	4.9	25.9	4.4	0.8
1956	76	21.7	7,629	5.0	26.5	4.3	0.8
1955	77	23.8	7,418	4.8	25.7	5.0	0.9

NOTE: Estimated population methodology for the Indian population revised in 1976. Maine, New York and Pennsylvania included as Reservation States beginning in 1979, Connecticut, Rhode Island and Texas in 1983 and Alabama in 1984. Decennial Census population counts used for 1960, 1970 and 1980.

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HOMICIDE DEATHS AND MORTALITY RATES
American Indians and Alaska Natives and U.S. All Races, 1955-1987
(Age-Adjusted Rate per 100,000 Population)

Calendar Year	Indian & Alaska Native		U.S. All Races		U.S. Other than White	Ratio Indian to:	
	Number	Rate	Number	Rate	Rate	U.S. All Races	U.S. Other than White
1987	199	14.1	21,103	8.6	26.4	1.6	0.5
1986	240	16.3	21,731	9.0	27.2	1.8	0.6
1985	191	14.3	19,893	8.3	24.4	1.7	0.6
1984	189	14.5	19,796	8.4	24.9	1.7	0.6
1983	217	16.4	20,191	8.6	26.4	1.9	0.6
1982	188	14.9	22,358	9.7	30.0	1.5	0.5
1981	207	17.9	23,646	10.4	33.3	1.7	0.5
1980	212	18.1	24,278	10.8	35.0	1.7	0.5
1979	209	18.9	22,550	10.4	36.0	1.8	0.5
1978	218	21.2	20,432	9.6	33.4	2.2	0.6
1977	197	20.9	19,968	9.6	34.5	2.2	0.6
1976	185	21.6	19,554	9.5	36.4	2.3	0.6
1975	185	21.9	21,310	10.5	41.1	2.1	0.5
1974	203	26.4	21,465	10.8	44.5	2.4	0.6
1973	196	27.2	20,465	10.5	44.4	2.6	0.6
1972	159	23.2	19,638	10.3	46.6	2.3	0.5
1971	149	24.5	18,787	10.0	46.8	2.5	0.5
1970	125	23.8	16,848	9.1	41.3	2.6	0.6
1969	132	22.5	15,477	8.6	40.5	2.6	0.6
1968	116	22.2	14,686	8.2	38.8	2.7	0.6
1967	110	20.3	13,425	7.7	36.3	2.6	0.6
1966	79	20.3	11,606	6.7	31.9	3.0	0.6
1965	102	19.7	10,712	6.3	29.8	3.1	0.7
1964	84	23.6	9,814	5.8	27.6	4.1	0.9
1963	85	22.3	9,225	5.5	26.6	4.1	0.8
1962	80	21.0	9,013	5.5	26.3	3.8	0.8
1961	63	20.9	8,578	5.3	24.9	3.9	0.8
1960	80	19.5	8,464	5.3	25.8	3.7	0.8
1959	62	20.5	8,159	5.1	25.8	4.0	0.8
1958	69	20.4	7,815	4.9	25.3	4.2	0.8
1957	73	21.8	7,641	4.9	25.9	4.4	0.8
1956	76	21.7	7,629	5.0	26.5	4.3	0.8
1955	77	23.8	7,418	4.8	25.7	5.0	0.9

NOTE: Estimated population methodology for the Indian population revised in 1976. Maine, New York and Pennsylvania included as Reservation States beginning in 1979, Connecticut, Rhode Island and Texas in 1983 and Alabama in 1984. Decennial Census population counts used for 1960, 1970 and 1980.

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HOMICIDE MORTALITY RATES BY AGE AND SEX
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 100,000 Population)

	Indian & Alaska Native		
	Both Sexes	Male	Female
Under 1 year	8.5	14.8	1.9
1 - 4 years	4.3	4.2	4.4
5 - 14 years	1.0	1.4	0.6
15 - 24 years	20.1	31.1	9.0
25 - 34 years	26.5	42.5	11.2
35 - 44 years	23.1	38.9	8.3
45 - 54 years	16.3	26.5	6.8
55 - 64 years	9.0	14.7	3.9
65 - 74 years	7.3	16.2	--
75 - 84 years	9.3	14.2	5.5
85 years +	5.5	13.7	--

	U.S. All Races		
	Both Sexes	Male	Female
Under 1 year	7.4	7.9	6.8
1 - 4 years	2.7	3.0	2.3
5 - 14 years	1.1	1.2	1.0
15 - 24 years	14.2	22.0	6.1
25 - 34 years	16.1	25.5	6.7
35 - 44 years	11.4	18.3	4.8
45 - 54 years	8.3	13.5	3.5
55 - 64 years	5.4	8.7	2.4
65 - 74 years	4.4	6.4	2.8
75 - 84 years	4.6	6.5	3.5
85 years +	4.7	6.4	4.0

	U.S. Other than White		
	Both Sexes	Male	Female
Under 1 year	16.5	18.7	14.1
1 - 4 years	6.9	7.8	5.9
5 - 14 years	2.4	2.8	2.0
15 - 24 years	40.8	67.4	14.5
25 - 34 years	51.4	87.6	18.6
35 - 44 years	38.8	63.1	12.5
45 - 54 years	25.2	46.5	7.5
55 - 64 years	16.9	30.3	6.0
65 - 74 years	15.1	25.4	7.4
75 - 84 years	14.2	24.4	7.7
85 years +	15.9	23.8	12.1

NOTE: -- Represents zero.

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ALCOHOLISM DEATHS AND MORTALITY RATES
American Indians and Alaska Natives and U.S. All Races, 1969-1987
(Age-Adjusted Rate per 100,000 Population)

Calendar Year	Indian & Alaska Native		U.S. All Races		Ratio Indian to U.S. All Races
	Number	Rate	Number	Rate	
1987	288	25.9	15,513	6.0	4.3
1986	272	24.6	15,525	6.4	3.8
1985	281	26.1	15,844	6.2	4.2
1984	316	30.0	15,706	6.2	4.8
1983	293	28.9	15,424	6.1	4.7
1982	298	30.7	15,596	6.4	4.8
1981	338	35.8	16,745	7.0	5.2
1980	382	41.3	17,742	7.5	5.5
1979	398	45.1	17,064	7.4	6.1
1978	437	54.5	18,490	8.1	6.7
1977	429	55.5	18,437	8.3	6.7
1976	425	58.2	18,484	8.6	6.8
1975	403	62.2	18,190	8.6	7.2
1974	417	64.2	18,530	8.6	7.5
1973	399	66.1	17,791	8.6	7.7
1972	315	55.0	17,484	8.6	6.4
1971	334	62.9	16,891	8.4	7.5
1970	272	56.2	16,130	8.1	6.9
1969	267	56.6	15,138	7.7	7.4

NOTE: For 1969-1978 includes deaths due to alcoholism, alcoholic psychoses and cirrhosis of the liver with mention of alcoholism. For 1979 and after includes deaths due to alcohol dependence syndrome, alcoholic psychoses and chronic liver disease and cirrhosis, specified as alcoholic. Population estimation methodology for the American Indian and Alaska Native population revised in 1976. Maine, New York and Pennsylvania included as Reservation States beginning in 1979, Connecticut, Rhode Island and Texas in 1983 and Alabama in 1984. Decennial Census population counts used for 1970 and 1980.

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ALCOHOLISM MORTALITY RATES BY AGE AND SEX
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 100,000 Population)

	Indian & Alaska Native		
	Both Sexes	Male	Female
Under 5 years	--	--	--
5 - 14 years	--	--	--
15 - 24 years	0.8	0.6	1.0
25 - 34 years	20.0	24.8	15.3
35 - 44 years	46.7	60.8	33.4
45 - 54 years	66.2	82.5	51.2
55 - 64 years	66.0	86.6	47.5
65 - 74 years	43.1	61.7	27.8
75 - 84 years	26.3	46.2	11.0
85 years +	16.4	27.4	9.1

	U.S. All Races		
	Both Sexes	Male	Female
Under 5 years	0.0	0.0	--
5 - 14 years	--	--	--
15 - 24 years	0.1	0.2	0.1
25 - 34 years	2.3	3.3	1.4
35 - 44 years	8.0	12.2	4.1
45 - 54 years	15.2	23.1	7.7
55 - 64 years	20.0	31.3	10.1
65 - 74 years	17.3	29.3	7.9
75 - 84 years	8.6	16.8	3.7
85 years +	3.2	8.5	1.2

	U.S. Other than White Race		
	Both Sexes	Male	Female
Under 5 years	--	--	--
5 - 14 years	--	--	--
15 - 24 years	0.3	0.4	0.3
25 - 34 years	6.4	9.0	4.0
35 - 44 years	20.5	31.3	11.3
45 - 54 years	30.6	49.9	14.6
55 - 64 years	31.5	52.1	14.7
65 - 74 years	22.5	38.9	10.1
75 - 84 years	11.2	23.1	3.5
85 years +	4.5	11.2	1.2

NOTE: -- Represents zero.

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MALIGNANT NEOPLASM DEATHS AND MORTALITY RATES
American Indians and Alaska Natives and U.S. All Races, 1955-1987
(Age-Adjusted Rate per 100,000 Population)

Calendar Year	Indian & Alaska Native		U.S. All Races		U.S. Other than White	Ratio Indian to:	
	Number	Rate	Number	Rate	Rate	U.S. All Races	U.S. Other than White
1987	987	84.9	476,927	132.9	153.0	0.6	0.6
1986	942	83.4	469,376	133.2	154.1	0.6	0.5
1985	931	84.9	461,563	133.6	155.7	0.6	0.5
1984	941	88.4	453,492	133.5	157.8	0.7	0.6
1983	853	81.5	442,986	132.6	156.8	0.6	0.5
1982	780	80.3	433,795	132.5	157.0	0.6	0.5
1981	707	74.0	422,094	131.6	156.7	0.6	0.5
1980	720	76.4	416,509	132.8	158.2	0.6	0.5
1979	592	65.8	403,395	130.8	159.0	0.5	0.4
1978	646	77.0	396,992	133.8	159.1	0.6	0.5
1977	581	73.1	386,686	133.0	159.3	0.5	0.5
1976	551	73.3	377,312	132.3	156.3	0.6	0.5
1975	508	70.4	365,693	129.4	155.0	0.5	0.5
1974	526	77.7	360,472	131.8	156.6	0.6	0.5
1973	477	73.4	351,055	130.7	156.4	0.6	0.5
1972	461	76.1	345,618	130.7	152.2	0.6	0.5
1971	451	80.0	337,398	130.7	160.8	0.6	0.5
1970	421	80.5	330,730	129.9	148.3	0.6	0.5
1969	407	78.4	323,092	129.7	158.6	0.6	0.5
1968	383	75.7	318,547	130.2	158.3	0.6	0.5
1967	392	80.8	310,983	129.1	154.3	0.6	0.5
1966	386	83.0	303,736	128.4	152.7	0.6	0.5
1965	362	80.1	297,588	127.0	147.7	0.6	0.5
1964	376	83.5	289,577	126.6	145.6	0.7	0.6
1963	342	86.3	285,362	126.6	145.2	0.7	0.6
1962	330	86.1	278,562	125.6	140.9	0.7	0.6
1961	347	94.3	273,502	125.4	140.4	0.8	0.7
1960	325	91.1	267,627	125.8	139.3	0.7	0.7
1959	359	109.3	260,047	124.5	136.2	0.9	0.8
1958	293	89.9	254,426	124.6	135.3	0.7	0.7
1957	333	105.2	253,183	126.4	136.7	0.8	0.8
1956	333	104.5	247,357	126.3	136.2	0.8	0.8
1955	296	95.0	240,681	125.8	131.5	0.8	0.7

NOTE: Estimated population methodology for the American Indian and Alaska Native population revised in 1976. Maine, New York and Pennsylvania included as Reservation States beginning in 1979, Connecticut, Rhode Island and Texas in 1983 and Alabama in 1984. Decennial Census population counts used for 1960, 1970 and 1980.

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MALIGNANT NEOPLASM MORTALITY RATES BY AGE AND SEX
American Indians and Alaska Natives, 1985-1987 and U.S. All Races, 1986
(Rate per 100,000 Population)

	Indian & Alaska Native		
	Both Sexes	Male	Female
Under 5 years	3.3	3.3	3.4
5 - 14 years	2.2	2.5	1.9
15 - 24 years	3.6	4.2	3.0
25 - 34 years	10.6	7.1	13.9
35 - 44 years	32.3	31.0	33.4
45 - 54 years	107.6	103.4	111.6
55 - 64 years	253.8	266.7	242.2
65 - 74 years	526.7	623.3	446.8
75 - 84 years	878.0	1,114.9	695.3
85 years +	1,167.4	1,507.3	942.5

	U.S. All Races		
	Both Sexes	Male	Female
Under 5 years	3.7	4.0	3.3
5 - 14 years	3.4	3.8	3.1
15 - 24 years	5.4	6.6	4.2
25 - 34 years	13.1	13.4	12.8
35 - 44 years	45.3	40.8	49.7
45 - 54 years	165.7	171.0	160.7
55 - 64 years	444.4	524.2	373.6
65 - 74 years	847.0	1,086.9	657.6
75 - 84 years	1,287.3	1,845.6	954.2
85 years +	1,612.0	2,459.5	1,277.2

	U.S. Other than White Race		
	Both Sexes	Male	Female
Under 5 years	3.2	2.9	3.6
5 - 14 years	3.2	3.4	2.9
15 - 24 years	5.0	5.8	4.3
25 - 34 years	14.8	13.0	16.3
35 - 44 years	62.6	61.8	63.3
45 - 54 years	220.4	256.2	190.6
55 - 64 years	529.4	682.8	403.6
65 - 74 years	927.1	1,297.9	648.7
75 - 84 years	1,356.0	2,021.6	931.5
85 years +	1,607.8	2,435.0	1,206.7

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TUBERCULOSIS DEATHS AND MORTALITY RATES
American Indians and Alaska Natives and U.S. All Races, 1955-1987
(Age-Adjusted Rate per 100,000 Population)

Calendar Year	Indian & Alaska Native		U.S. All Races		U.S. Other than White	Ratio Indian to:	
	Number	Rate	Number	Rate	Rate	U.S. All Races	U.S. Other than White
1987	30	2.5	1,755	0.5	1.7	5.0	1.5
1986	26	2.1	1,782	0.5	1.9	4.2	1.1
1985	20	1.6	1,752	0.5	1.8	3.2	0.9
1984	20	1.8	1,729	0.5	2.0	3.6	0.9
1983	36	3.3	1,779	0.5	1.9	6.6	1.7
1982	22	2.0	1,807	0.6	2.0	3.3	1.0
1981	31	3.2	1,937	0.6	2.3	5.3	1.4
1980	36	3.6	1,978	0.6	2.4	6.0	1.5
1979	35	3.7	2,007	0.7	2.5	5.3	1.5
1978	43	5.2	2,914	1.0	3.1	5.2	1.7
1977	40	5.2	2,968	1.0	3.5	5.2	1.5
1976	55	7.3	3,130	1.1	3.8	6.6	1.9
1975	64	8.6	3,333	1.2	4.0	7.2	2.2
1974	59	8.5	3,513	1.3	4.6	6.5	1.8
1973	52	8.1	3,875	1.5	5.2	5.4	1.6
1972	61	9.9	4,376	1.7	5.9	5.8	1.7
1971	56	10.0	4,501	1.8	6.6	5.6	1.5
1970	63	11.4	5,217	2.2	6.8	5.2	1.7
1969	86	16.1	5,567	2.3	8.0	7.0	2.0
1968	78	16.5	6,292	2.7	9.4	6.1	1.8
1967	90	24.3	6,901	3.0	10.1	8.1	2.4
1966	91	23.7	7,625	3.4	10.8	7.0	2.2
1965	104	27.3	7,934	3.6	10.9	7.6	2.5
1964	111	29.5	8,303	3.8	11.5	7.8	2.6
1963	130	28.9	9,311	4.3	12.8	6.7	2.3
1962	150	37.2	9,506	4.5	13.4	8.3	2.8
1961	120	35.2	10,470	4.8	14.0	7.3	2.5
1960	115	32.3	10,866	5.4	15.1	6.0	2.1
1959	163	43.0	11,456	5.8	16.6	7.4	2.6
1958	150	39.6	12,361	6.5	19.0	6.1	2.1
1957	186	41.0	13,324	7.1	20.0	5.8	2.1
1956	212	47.6	14,061	7.7	22.0	6.2	2.2
1955	253	57.9	14,940	8.4	24.1	6.9	2.4

NOTE: Estimated population methodology revised in 1976. Maine, New York and Pennsylvania included as Reservation States beginning in 1979, Connecticut, Rhode Island and Texas in 1983 and Alabama in 1984. Decennial Census population counts used for 1960, 1970 and 1980.

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DIABETES MELLITUS DEATHS AND MORTALITY RATES
American Indians and Alaska Natives and U.S. All Races, 1955-1987
(Age-Adjusted Rate per 100,000 Population)

Calendar Year	Indian & Alaska Native		U.S. All Races		U.S. Other than White	Ratio Indian to:	
	Number	Rate	Number	Rate	Rate	U.S. All Races	U.S. Other than White
1987	265	23.4	38,532	9.8	17.9	2.4	1.3
1986	229	20.6	37,184	9.6	17.8	2.1	1.2
1985	247	22.9	36,969	9.6	16.1	2.4	1.4
1984	219	20.6	35,787	9.5	17.4	2.2	1.2
1983	210	20.5	36,246	9.9	17.8	2.1	1.2
1982	193	20.2	34,583	9.6	16.7	2.1	1.2
1981	191	20.8	34,642	9.8	17.9	2.1	1.2
1980	204	22.6	34,851	10.1	18.8	2.2	1.2
1979	170	19.2	33,192	10.0	18.5	1.9	1.0
1978	183	22.6	33,841	10.4	19.0	2.2	1.2
1977	161	21.1	32,989	10.4	19.5	2.0	1.1
1976	149	20.2	34,508	11.1	21.0	1.8	1.0
1975	145	20.8	35,230	11.6	21.7	1.8	1.0
1974	139	21.4	37,329	12.5	23.4	1.7	0.9
1973	157	25.6	38,208	13.2	25.3	1.9	1.0
1972	158	27.3	38,674	13.6	26.0	2.0	1.1
1971	166	30.1	38,256	13.8	27.5	2.2	1.1
1970	143	27.1	38,324	14.1	25.2	1.9	1.1
1969	127	21.1	38,541	14.5	27.7	1.5	0.8
1968	141	25.6	38,352	14.7	28.0	1.7	0.9
1967	107	23.3	35,049	13.7	24.5	1.7	1.0
1966	115	25.7	34,597	13.9	24.8	1.8	1.0
1965	110	25.4	33,174	13.5	23.6	1.9	1.1
1964	95	22.0	32,279	13.5	23.6	1.6	0.9
1963	115	29.9	32,465	13.8	23.1	2.2	1.3
1962	89	23.9	31,222	13.5	21.8	1.8	1.1
1961	70	19.6	30,098	13.3	21.0	1.5	0.9
1960	71	20.3	29,971	13.6	21.6	1.5	0.9
1959	82	26.1	28,080	13.4	19.4	1.9	1.3
1958	65	20.8	27,501	13.0	18.8	1.6	1.1
1957	62	19.6	27,180	13.5	18.2	1.5	1.1
1956	79	20.2	26,184	13.0	17.1	1.6	1.2
1955	64	17.0	25,488	13.0	16.5	1.3	1.0

NOTE: Estimated population methodology for the American Indian and Alaska Native populati revised in 1976. Maine, New York and Pennsylvania included as Reservation States beginning in 1979, Connecticut, Rhode Island and Texas in 1983 and Alabama in 1984. Decennial Census population counts used for 1960, 1970, and 1980.

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GASTROINTESTINAL DISEASE DEATHS AND MORTALITY RATES
American Indians and Alaska Natives and U.S. All Races, 1955-1987
(Age-Adjusted Rate per 100,000 Population)

Calendar Year	Indian & Alaska Native		U.S. All Races	Ratio Indian to U.S. All Races
	Number	Rate	Rate	
1987	15	1.1	1.3	0.8
1986	23	1.6	2.4	0.7
1985	15	1.1	2.3	0.5
1984	22	1.8	2.4	0.8
1983	30	2.6	2.5	1.0
1982	20	1.7	2.5	0.7
1981	26	2.3	2.5	0.9
1980	31	2.6	2.7	1.0
1979	39	3.4	2.6	1.3
1978	34	2.7	1.9	1.4
1977	32	2.6	2.0	1.3
1976	43	3.9	2.1	1.9
1975	41	3.7	2.2	1.7
1974	52	4.9	2.4	2.0
1973	42	4.8	2.6	1.8
1972	56	6.4	2.7	2.4
1971	45	5.1	2.8	1.8
1970	66	7.8	2.9	2.7
1969	82	9.8	3.0	2.5
1968	104	9.9	3.1	3.2
1967	80	9.8	3.0	3.3
1966	107	11.6	3.0	3.9
1965	111	10.9	3.2	3.4
1964	100	9.6	3.3	2.9
1963	110	11.3	3.4	3.3
1962	155	16.2	3.4	4.8
1961	119	11.1	3.3	3.4
1960	152	14.2	3.4	4.2
1959	124	13.0	3.3	3.9
1958	159	15.4	3.5	4.4
1957	198	18.0	3.5	5.1
1956	137	13.9	3.4	4.1
1955	165	15.4	3.6	4.3

NOTE: Maine, New York and Pennsylvania included as Reservation States beginning in 1979, Connecticut, Rhode Island and Texas in 1983 and Alabama in 1984. Starting in 1979 cause of death codes which define gastrointestinal deaths were revised to exclude ICD-9 code 557 (vascular insufficiency of intestine). Currently ICD-9 codes that define gastrointestinal deaths include: 004, 006, 007, 008, 009, 535, 555, 556, 558 and 562.

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LIFE EXPECTANCY AT BIRTH, BY RACE AND SEX

Decennial Census Year	Indian & Alaska Native			U.S. White Population		
	Both Sexes	Male	Female	Both Sexes	Male	Female
1980	71.1	67.1	75.1	74.4	70.7	78.1
1970	65.1	60.7	71.2	71.7	68.0	75.6
1960	61.7	60.0	65.7	70.6	67.4	74.1
1950	60.0	58.1	62.2	69.1	66.5	72.2
1940	51.0	51.3	51.9	64.2	62.1	66.6

NOTE: Life expectancy at birth based upon 3 years of mortality experience centered in the Decennial Census Year specified for the American Indian and Alaska Native population and for the single year specified for the U.S. White population.

Data for 1940 and 1950 for both population groups are for Continental U.S. American Indian and Alaska Native data for 1960-1980 are for States in which IHS had responsibilities (1960 & 1970 -- 25 States, 1980 -- 28 States) and U.S. White population 1960-1980 are for 50 States and the District of Columbia.

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PROGRAM ACCOMPLISHMENTS

Health Improvements	CY 1955 Rate	CY 1986/87 Rate	Percent Decrease
Death Rates:			
Infant 1/	62.7	9.8	84
Neonatal 1/	23.1	4.7	80
Postneonatal 1/	39.7	5.1	87
Maternal 2/	82.6	8.8	89
Certain conditions originating in the perinatal period 3/	67.6	8.4	88
Pneumonia and influenza 4/	64.4	18.9	71
Tuberculosis, all forms 4/	57.9	2.5	96
Gastrointestinal diseases 4/	15.4	1.1	93
Congenital malformations 4/	10.1	4.7	53
Accidents 4/	184.0	82.6	55

Increased Use of Services	FY 1955	FY 1988/89	Percent Increase
Hospital Admissions	50,143	104,868 5/	109
Outpatient Visits	455,000	4,989,680 5/	997
Dental Services	180,000	2,207,082 6/	1,126

1/ Rates per 1,000 live births for 1954-56 and 1985-87.
2/ Rates per 100,000 live births for 1957-59 and 1985-87.
3/ Rate per 100,000 population (since all deaths occured under age 5) for 1954-56 and 1985-87.
4/ Single year age-adjusted rates per 100,000 population for 1987.
5/ IHS and Tribal direct and contract workload for 1988.
6/ IHS and Tribal direct and contract and urban dental workload for 1989.

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IHS TRIBAL HEALTH CONTRACT AND GRANT AWARDS
FY 1975-1989
(Millions of dollars)

Fiscal Year	Total	Contracts	Grants 2/
1989	$330.1	$306.6	$23.5
1988	230.3	217.2	13.1
1987	210.7	200.9	9.8
1986	209.0	199.0	10.1
1985	234.0	218.1	15.9
1984	194.0	177.5	16.5
1983	157.7	143.1	14.6
1982	141.1	126.5	14.6
1981	142.8	130.7	12.1
1980	121.9		
1979	74.0		
1978	70.1		
1977	57.9		
1976	32.6		
1975	17.4		

1/ Starting in 1989, contracts issued to Tribal organizations for the construction of health facilities by the Office of Engineering Services are included in the contracts category. Contract awards also include those issued by IHS Area Offices and IHS Headquarters and exclude purchase orders below $25,000.

2/ Grant obligations shown for first time in FY 1981. During 1987 and 1988, IHS Scholarship Program funding was reported under contracts rather than grants. The IHS Loan Repayment Program was initiated as a contract program starting in 1988. Both the IHS Scholarship and the IHS Loan Repayment programs were converted to grant programs in 1989.

NOTE: Report completed as of February 9, 1989.

SOURCE: IHS Contract Information System, Division of Data Processing Services/IHS, the Impact Data System run by NIH for PHS, prior to 1988, and the PHS Grants Data System.

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IHS TRIBAL HEALTH CONTRACT AND GRANT AWARDS BY TYPE
FY 1989

TYPE OF CONTRACT OR GRANT	TOTAL $ AWARDED (MILLIONS)	PERCENT DISTRIBUTION
CONTRACT AND GRANT TOTAL	$330.1	100.0
CONTRACT, TOTAL 1/	306.6	92.9
P.L. 93-638 Contracts	233.4	70.7
Buy Indian Contracts	36.7	11.1
Medical Contracts With Tribal Organizations	36.5	11.1
GRANT, TOTAL	23.5	7.1
P.L. 93-638 Project Grants 2/	15.7	4.8
IHS Scholarship Program	6.0	1.8
IHS Loan Repayment Program	1.8	0.5

1/ Contract awards include those of IHS Area Offices, IHS Headquarters and the Office of Engineering Services. They include indirect costs, and exclude purchase orders below $25,000.

2/ Includes tribal management and services grants.

NOTE: Report completed as of February 6, 1990.

SOURCE: IHS-Contract Information System, Division of Data Processing Services, IHS and the PHS Grants Data System.

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URBAN INDIAN HEALTH PROGRAM WORKLOAD AND APPROPRIATION
FY 1980-1989

Fiscal Year	Total Workload 1/	Community Services	Medical	Dental	Other 2/	Appropriation (Millions)
1989	428,194	120,450	152,736	70,497	84,511	$9,662
1988	438,643	116,898	135,759	61,000	124,986	$9,624
1987 3/	451,966	116,898	146,228	62,377	126,463	$9,000
1986	485,191	112,071	184,997	60,373	127,071	$9,000
1985	513,589	153,385	180,094	60,953	119,157	$9,800
1984	507,055	106,131	162,563	51,800	186,501	$9,000
1983	534,157	126,814	165,747	52,905	188,691	$6,000
1982	582,567	142,233	185,502	65,043	189,789	$8,160
1981	665,980	209,207	185,053	57,887	213,883	$8,900
1980	564,451	236,383	153,402	54,843	119,823	$8,000

1/ Number of services provided - Fiscal Years 1980-1983, number of patient encounters - Fiscal Years 1984-1989.

2/ In Fiscal Year 1989, the Other category included the following numbers of services provided: nutrition education (37,222), health education (15,558), mental health (12,109), optometric services (745) and other allied health services which included substance abuse counseling (18,877). Data for previous years also include the provision of these types of services.

3/ Beginning in Fiscal Year 1987 and thereafter, the Tulsa and Oklahoma City Urban Programs are excluded since they were funded as demonstration projects under the IHS hospitals and clinics activity.

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NUMBER OF ADMISSIONS
IHS and Tribal Direct and Contract Hospitals
Fiscal Years 1955-1989

Fiscal Year	Total IHS and Tribal Admissions	Indian Health Service			Tribal		
		Total	Direct	Contract 1/	Total	Direct	Contract
1989	NA	NA	71,243	NA	NA	6,456	NA
1988	104,868	92,393	76,488	15,905	12,475	6,111	6,364
1987	108,835	95,700	76,244	19,456	13,135	5,953	7,182
1986	109,181	96,886	78,162	18,724	12,295	4,969	7,326
1985	108,777	98,245	78,423	19,822	10,532	3,678	6,854 2/
1984	102,843	99,849	77,522	22,327	2,994	2,994	
1983	104,806	102,961	78,027	24,934	1,845	1,845	
1982	104,418	102,343	77,070	25,273	2,075	2,075	
1981	109,353	107,087	81,387	25,700	2,266	2,266	
1980	108,242	106,992	77,798	29,194	1,250	1,250	
1979	107,269	106,329	75,174	31,155	940	940	
1978	112,203	112,203	77,567	34,636			
1977	110,025	110,025	78,424	31,601			
1976	106,461	106,461	76,382	30,079			
1975	105,735	105,735	74,594	31,141			
1970	92,710	92,710	67,877	24,833			
1965	91,744	91,744	67,744	24,000			
1960	76,754	76,754	56,874	19,880			
1955	50,143	50,143	42,762	7,381			

1/ Number of discharges used as estimate for number of admissions.
2/ Comparable tribal contract health services data not available prior to FY 1985.

NOTE: NA denotes data not available

SOURCE: IHS Direct: Monthly Report of Inpatient Services
IHS Contract: Annual Report 3I
Tribal: Area submissions

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AVERAGE DAILY PATIENT LOAD
IHS and Tribal Direct and Contract Hospitals
Fiscal Years 1955-1989

Fiscal Year	Grand Total ADPL	Indian Health Service			Tribal		
		Total	Direct	Contract	Total	Direct	Contract
1989	NA	NA	873	NA	NA	88	NA
1988	1,295	1,133	939	194	162	88	74
1987	1,359	1,193	960	233	166	87	79
1986	1,418	1,248	1,017	231	170	81	89
1985	1,410	1,286	1,052	234	124	47	77 1/
1984	1,392	1,353	1,072	281	39	39	
1983	1,477	1,449	1,119	330	28	28	
1982	1,488	1,460	1,121	339	28	28	
1981	1,575	1,550	1,194	356	25	25	
1980	1,594	1,576	1,178	398	18	18	
1979	1,586	1,569	1,192	377	17	17	
1978		1,723	1,256	467			
1977		1,710	1,302	408			
1976		1,736	1,299	437			
1975		1,768	1,330	438			
1970		2,353	1,729	624			
1965		3,127	2,244	883			
1960		3,142	2,232	910			
1955		3,711	2,531	1,180			

1/ Tribal contract data not available prior to FY 1985.

NOTE: NA denotes data not available

SOURCE: IHS Direct: Monthly Report of Inpatient Services
IHS Contract: Annual Report 3I
Tribal: Area submissions

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TEN LEADING CAUSES OF HOSPITALIZATION FOR GM&S PATIENTS
Indian Health Service and Contract General Hospitals, FY 1988

Diagnostic Category	Number of Discharges			Percent Distribution		
	Combined	IHS	Contract	Combined	IHS	Contract
ALL CATEGORIES	91,359	75,454	15,905	100.0	82.6	17.4
				100.0	100.0	100.0
Obstetric deliveries and complications of puerperium & pregnancy	22,422	19,129	3,293	24.5	25.4	20.7
Respiratory system diseases	10,572	9,087	1,485	11.6	12.0	9.3
Injuries & poisonings	9,974	7,269	2,705	10.9	9.6	17.0
Digestive system diseases	8,770	7,093	1,677	9.6	9.4	10.5
Symptoms & ill-defined conditions	4,895	4,067	828	5.4	5.4	5.2
Circulatory system diseases	4,854	3,601	1,253	5.3	4.8	7.9
Genitourinary system diseases	4,787	3,919	868	5.2	5.2	5.5
Supplementary conditions	4,213	3,993	220	4.6	5.3	1.4
Mental disorders	3,830	3,002	828	4.2	4.0	5.2
Endocrine, nutritional & metabolic diseases	3,193	2,750	443	3.5	3.6	2.8
All other	13,849	11,544	2,305	15.2	15.3	14.5

SOURCE: Annual Reports 2C and 3I.

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TEN LEADING CAUSES OF HOSPITALIZATION BY SEX
Indian Health Service Direct and Contract General Hospitals
Fiscal Year 1988

MALE			FEMALE		
Diagnostic Category	Number of Discharges	Percent of Total	Diagnostic Category	Number of Discharges	Percent of Total
ALL CATEGORIES	33,732	100.0	ALL CATEGORIES	57,627	100.0
Injuries & poisonings	6,053	17.9	Obstetric deliveries and complications of pregnancy & puerperium	22,422	38.9
Respiratory system diseases	5,493	16.3	Respiratory system diseases	5,078	8.8
Digestive system diseases	4,042	12.0	Digestive system diseases	4,728	8.2
Circulatory system diseases	2,475	7.3	Injuries & poisonings	3,920	6.8
Mental disorders	2,286	6.8	Genitourinary system diseases	3,545	6.2
Symptoms & ill-defined conditions	2,274	6.7	Supplementary conditions	2,626	4.6
Supplementary conditions	1,587	4.7	Symptoms & ill-defined conditions	2,621	4.5
Nervous system and sense organs	1,519	4.5	Circulatory system diseases	2,379	4.1
Skin & subcutaneous tissue diseases	1,491	4.4	Endocrine, nutritional & metabolic diseases	1,790	3.1
Endocrine, nutritional & metabolic diseases	1,403	4.2	Mental disorders	1,544	2.7
All other	5,109	15.1	All other	6,974	12.1

SOURCE: On-Request Reports 19 and 21.

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COMPARISON OF IHS AND U.S. HOSPITALS BY BED SIZE
Indian Health Service Hospitals, FY 1989 and
U.S. Short-Stay Community Hospitals, CY 1988

Bed Size	Number of Hospitals		Percent of Total	
	IHS 1/	U.S.	IHS	U.S.
ALL	43	5,533	100.0	100.0
6 - 24	14	220	32.6	4.0
25 - 49	19	969	44.2	17.5
50 - 99	7	1,335	16.3	24.1
100 - 199	3	1,345	7.0	24.3
200 +	--	1,664	--	30.1

1/ Operated by IHS on September 30, 1989.

SOURCE: IHS - Monthly Report of Inpatient Services, September 1989
U.S. - Hospital Statistics, 1989-90 Edition, American Hospital Association, Table 5A

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COMPARISON OF IHS AND U.S. HOSPITAL DISCHARGE RATES BY AGE
Indian Health Service and Contract General Hospitals, FY 1988
U.S. General Short-Stay Hospitals, CY 1987

Age at Admission	Discharges per 1,000 Population		% Difference IHS Rate to U.S. Rate
	IHS	U.S.	
TOTAL	101.6	138.2	-26.5%
Under 1 year	356.2	191.6	85.9%
1-4 years	66.9	55.5	20.5%
5-14 years	23.7	34.0	-30.3%
15-19 years	70.6	88.4	-20.1%
20-24 years	129.4	129.1	0.2%
25-44 years	119.3	119.6	-0.3%
45-64 years	124.4	156.9	-20.7%
65 years & over	230.9	350.5	-34.1%

SOURCE: IHS - Annual Reports 2C and 3I.
U.S. - Utilization of Short-Stay Hospitals, Annual Summary of the U.S., NCHS.

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NUMBER OF OUTPATIENT VISITS
Indian Health Service and Tribal Direct and Contract Facilities
Fiscal Years 1955-1989

Fiscal Year	Grand Total	Indian Health Service Direct Facilities			IHS Contract	Tribal Direct	Tribal Contract
		Total	Hospitals	Health Centers and Other Field Clinics			
1989	NA	3,614,390	2,323,010	1,291,380	NA	979,262	NA
1988	4,989,680	3,702,762	2,353,106	1,349,656	175,569	943,322	168,027
1987	4,806,027	3,600,697	2,278,291	1,322,406	203,040	858,018	144,272
1986	4,745,887	3,507,725	2,200,039	1,307,686	295,227	803,859	139,076
1985	4,432,054	3,389,618	2,088,973	1,300,645	275,457	667,651	99,328 2/
1984	4,051,973	3,248,660	1,982,264	1,266,396	265,073	538,240	
1983	3,989,990	3,252,701	1,955,462	1,297,239	267,899	469,390	
1982	4,065,901	3,334,365	1,973,688	1,360,677	236,706	494,830	
1981	4,053,326	3,319,479	1,934,590	1,384,889	266,577 3/	467,270	
1980	3,869,936	3,194,936	1,795,607	1,399,329	275,000 1/	400,000 1/	
1979	3,683,350	3,083,350	1,710,686	1,372,664	275,000 1/	325,000 1/	
1978		3,124,716	1,783,642	1,341,074			
1977		2,960,850	1,715,114	1,245,736			
1976		2,751,546	1,593,130	1,158,416			
1975		2,501,050	1,465,816	1,035,234			
1970		1,786,920	1,068,820	718,100			
1965		1,325,400	757,700	567,700			
1960		989,500	585,100	404,400			
1955		455,000	355,000	100,000			

1/ Estimate.
2/ Comparable Tribal contract health services data not available prior to FY 1985.
3/ Comparable IHS contract health services data not available prior to FY 1981.

NOTE: NA denotes data not available

SOURCE: IHS Direct: Annual Report 1A
IHS Contract: Annual Report 3G
Tribal: Area Submissions

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NUMBER OF OUTPATIENT CLINICAL IMPRESSIONS BY LEADING SPECIFIC CONDITIONS
Indian Health Service Direct and Contract Facilities, FY 1988

Condition	Total Impressions	Direct	Contract
Upper respiratory infection, common cold	250,863	239,498	11,365
Otitis media	221,495	208,985	12,510
Diabetes mellitus	201,141	196,362	5,049
Prenatal care	178,752	173,337	5,415
Hypertensive disease	151,740	148,642	3,098
Well child care	133,449	130,554	2,895
Refractive error	113,199	111,337	1,862
Test only (lab, x-ray)	105,259	103,241	2,018
Physical examination	100,911	98,850	2,061
Respiratory allergy, asthma, hay fever	82,983	78,567	4,416

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NUMBER OF OUTPATIENT CLINICAL IMPRESSIONS FOR LEADING SPECIFIC CONDITIONS BY SEX
Indian Health Service Direct and Contract Facilities, FY 1988

Male		Female	
Condition	Number of Clinical Impressions	Condition	Number of Clinical Impressions
Otitis media	109,124	Prenatal care	178,752
Upper respiratory infection, common cold	101,623	Upper respiratory infection, common cold	149,240
Diabetes mellitus	72,807	Diabetes mellitus	128,334
Hypertensive disease	67,393	Otitis media	112,371
Well child care	66,522	Hypertensive disease	84,347
Laceration, open wound	46,229	Tests only (lab, x-ray)	71,510
Refractive error	43,384	Refractive error	69,815
Physical examination	37,303	Well child care	66,927
Respiratory allergy, asthma, hay fever	35,290	Physical examination	63,608
Tests only (lab, x-ray)	33,749	Urinary tract infection	49,266

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PERCENT DISTRIBUTIONS FOR ESTIMATED POPULATION, OUTPATIENT CLINICAL IMPRESSIONS AND INPATIENT DISCHARGES AND DAYS, FISCAL YEAR 1988

DISTRIBUTION	AGE							
	All Ages	Under 1 year	1-4 years	5-14 years	15-24 years	25-44 years	45-64 years	65 years & over
Estimated population	100.0	2.4	8.4	21.7	22.5	26.7	13.1	5.3
Outpatient clinical impressions	100.0	7.2	11.6	11.9	16.1	26.7	17.4	9.0
Inpatient discharges	100.0	8.4	5.5	5.1	21.7	31.4	16.0	11.9
Inpatient days	100.0	8.4	3.8	3.8	15.9	28.1	21.4	18.5

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NUMBER OF OUTPATIENT VISITS BY TYPE OF PROVIDER
Indian Health Service Direct Facilities, FY 1989

Type of Provider	Number of Outpatient Visits	Percent of Total
TOTAL, ALL PROVIDERS	3,614,390	100.0
PRIMARY CARE PROVIDERS	2,499,585	69.2
Physician	2,067,371	57.2
Physician Assistant	268,137	7.4
Nurse Practitioner	90,857	2.5
Nurse Midwife	38,784	1.1
Contract Physician	11,233	0.3
Pediatric Nurse Practitioner	9,485	0.3
All Other	13,718	0.4
OTHER PROVIDERS	1,114,805	30.8
Pharmacist	590,955	16.4
Clinic R.N.	131,708	3.6
Optometrist	99,628	2.8
Physical Therapist	35,935	1.0
Licensed Practical Nurse	35,934	1.0
Public Health Nurse	21,466	0.6
All Other	199,176	5.5

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NUMBER OF DENTAL SERVICES PROVIDED
IHS, CONTRACT, TRIBAL AND URBAN PROGRAMS, FY 1955-1989

Fiscal Year	Number of Services Provided				% Contract of Total	% Tribal & Urban of Total	% Increase of Total since 1955
	IHS			Tribal & Urban			
	Total	Direct	Contract 1/				
1989	2,207,082	1,466,812	132,918	607,352	6.0	27.5	1,126.2
1988	2,106,741	1,415,815	194,784	496,142	9.2	23.6	1,070.4
1987	2,130,690	1,397,262	191,639	541,789	9.0	25.4	1,083.7
1986	1,984,522	1,322,794	155,939	505,789	7.9	25.5	1,002.5
1985	1,914,820	1,276,623	210,508	427,689	11.0	22.3	963.8
1984	2,011,326	1,348,599	224,918	437,809	11.2	21.8	1,017.4
1983	1,907,336	1,325,187	149,741	432,408	7.9	22.7	959.6
1982	1,666,263	1,202,422	153,030	311,341	9.2	18.6	825.7
1981	1,801,982	1,319,913	182,880	299,189	10.1	16.6	901.1
1980	1,833,206	1,357,809	216,574	258,823	11.8	14.1	918.4
1979 2/	1,618,383	1,239,108	215,997	163,278	13.3	10.1	799.1
1978	1,099,019	885,019	214,000		19.5		510.6
1977	1,037,640	823,328	214,312		20.7		476.5
1976	975,647	798,709	176,938		18.1		442.0
1975	946,722	745,831	200,891		21.2		426.0
1974	927,701	775,747	151,954		16.4		415.4
1973	863,057	728,909	134,148		15.5		379.5
1972	844,724	718,176	126,548		15.0		369.3
1971	776,168	684,612	91,556		11.8		331.2
1970	737,206	646,580	90,626		12.3		309.6
1969	703,232	634,479	68,753		9.8		290.7
1968	681,745	613,084	68,661		10.1		278.7
1967	626,458	545,509	80,949		12.9		248.0
1966 2/	570,779	502,710	60,069		11.9		217.1
1965	572,079	495,006	77,073		13.5		217.8
1964	525,010	462,981	62,029		11.8		191.7
1963	453,906	398,452	55,454		12.2		152.2
1962	421,597	364,988	56,609		13.4		134.2
1961	403,528	348,776	54,752		13.6		124.2
1960 2/	364,423	307,248	57,175		15.7		102.5
1959	328,613	283,206	45,407		13.8		82.6
1958	282,372	282,372	-		-		56.9
1957	249,048	249,048	-		-		38.4
1956	219,353	219,353	-		-		21.9
1955	180,000	180,000	-		-		-

1/ Beginning with FY 1979 this category excludes contract services purchased from the private sector by Tribes.

2/ Data systems were modified in 1960, 1966 and 1978. In 1978 the IHS began to use the dental services coding list adopted by the American Dental Association (ADA). The ADA list identifies individual clinical services. Previously the IHS had reported specified clinical services combined into major dental service groupings. Excluded from the 1978 count are diagnostic and adjunctive services. Excluded from the clinical counts since 1979 are diagnostic services other than examinations, revisits and non-clinical adjunctive services.

Dental Services Branch OHP/IHS February 9, 1990 1085r(0048r) pg 55 V-D "C"

INITIAL CONTACTS BY TYPE OF DRUG USE
OTHER THAN ALCOHOL, FY 1985-1988

DRUG OF ABUSE	FY 1985	FY 1986	FY 1987	FY 1988
	NUMBER OF INITIAL CONTACTS			
TOTALS	1,333	1,487	1,457	1,854
Opiates	122	134	75	106
Barbiturates	81	67	63	102
Cocaine	31	56	108	144
Marijuana	851	938	932	1,134
Amphetemines	43	68	56	73
Hallucinogens	30	25	20	30
Multiple Drugs Excluding Sniffing	113	139	136	201
Sniffing/Inhalants	41	37	43	48
Sniffing and Other Drugs	21	23	24	16

NOTE: These are people accepted for treatment into the IHS substance abuse treatment program.

SOURCE: Alcoholism Treatment and Guidance System (ATGS)
Drug Demographic Summary Report

Alcoholism & Substance Abuse
Treatment Branch
DC&PS/OHP/IHS
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LEADING CLINICAL NUTRITION PATIENT/CLIENT CONTACTS
FY 1989 1/

	Number	Percent Distribution
TOTAL CONTACTS	151,743	100.0
General Nutrition	48,902	32.0
Diabetes	38,559	25.0
Weight Control	26,145	17.0
Prenatal	12,376	8.0
Fat Controlled	10,229	7.0
Alcohol Related	2,814	2.0
Gestational Diabetes	2,367	1.5
Sodium Controlled	2,200	1.4
Anemia	1,696	1.1
Renal	1,433	0.9
Undernutrition	1,212	0.8
Cancer	491	0.3
All Other	3,318	2.0

1/ Excludes activities that are not direct patient/client services, and activities associated with program planning, administration, evaluation, and continuing education.

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NUTRITION AND DIETETICS PATIENT/CLIENT CONTACTS
By Setting, Function, and Encounter, FY 1989

	Patient/Client Contacts 1/	
	Number	Percent Distribution
Setting		
TOTAL PATIENT/CLIENT CONTACTS	261,750	100
Hospital	94,230	36
Ambulatory Clinic	91,612	35
Community	68,055	26
Home	7,853	3
Nutrition Function		
TOTAL PATIENT/CLINIC CONTACTS	261,750	100
Clinical Nutrition Counseling	151,743	58
Nutrition Education (Health Promotion)	69,022	26
Consultation and Technical Assistance	23,785	9
Training for IHS and Tribal Staff	17,200	7
Encounter		
TOTAL PATIENT/CLIENT CONTACTS	261,750	100
Ongoing	128,258	49
First Visit	83,752	32
Limited Series	26,170	10
Follow-up	23,570	9

1/ Excludes activities that are not direct patient/client services, and activities associated with program planning, administration, evaluation, and continuing education.

Nutrition & Dietetics Section
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IHS PUBLIC HEALTH NURSING TIME WORKED BY TYPE OF ACTIVITY
FY 1989

Type of Activity	Number of Hours	Percent Distribution
TOTAL HOURS	637,572	100.0
Patient Service-Home	207,183	32.5
Administrative	84,642	13.3
Patient Service-Other	65,503	10.3
Register/Record Maintenance	43,324	6.8
Coordinating	32,477	5.1
Education Received	30,699	4.8
Program Management	23,095	3.6
Not home	20,936	3.3
School	11,936	1.9
Community Development	9,376	1.5
Discharge Planning/Hospital Rounds	8,699	1.4
Supervision Provided	7,299	1.1
Education Provided	6,023	0.9
Client Classes	5,689	0.9
Supervision Received	5,044	0.8
Interpreting	4,415	0.7
Clinic	3,155	0.5
Technical Assistance Provided	2,775	0.4
Technical Assistance Received	694	0.1
Other	64,608	10.1

SOURCE: Indian Health Service, Community Health Activity Report No. 2, Fiscal Year 1989

Nursing Services Branch
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IHS PUBLIC HEALTH NURSING VISITS BY PROGRAM AREA
FY 1989

Program Area	Number of Visits	Percent Distribution
TOTAL VISITS	366,012	100.0
Morbidity	132,547	36.2
Child Health	47,627	13.0
Health Promotion/Disease Prevention	47,108	12.9
Maternal Health	34,201	9.3
Mental Health	22,845	6.2
Communicable Disease	20,242	5.5
School Health	7,898	2.2
Accidents/Trauma	7,370	2.0
General	6,403	1.7
Client not home	39,771	10.9

NOTE: Percentages do not sum to 100.0 due to rounding.

SOURCE: Indian Health Service, Community Health Activities Report No. 3, Fiscal Year 1989.

Nursing Services Branch
DC&PS/OHP/IHS
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IHS PUBLIC HEALTH NURSING VISITS BY AGE OF PATIENTS
FY 1989 Visits Compared with 1980 Census Data

Patient Age	PHN Visits Number	PHN Visits Percent Distribution	1980 Census Percent Distribution 1/	Ratio PHN Visit Distribution to 1980 Census
ALL AGES	326,311	100.0	100.0	
Under 5 years	80,065	24.5	10.8	2.3
5 to 9 years	14,727	4.5	10.5	0.4
10 to 14 years	10,527	3.2	11.2	0.3
15 to 19 years	17,784	5.5	12.1	0.5
20 to 24 years	22,204	6.8	10.4	0.7
25 to 34 years	34,164	10.5	16.1	0.7
35 to 44 years	21,921	6.8	10.6	0.6
45 to 64 years	49,002	15.0	13.1	1.1
65 years +	67,806	20.8	5.3	3.9
Unspecified Age	8,111	2.5	--	

1/ 1980 Census data are for American Indians and Alaska Natives residing in reservation states.

NOTE: Excludes PHN visits for the Tucson IHS Area.
Percentages do not sum to 100.0 due to rounding.

SOURCE: Indian Health Service Community Health Activities Report, No. 19.

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IHS PUBLIC HEALTH NURSING VISITS BY AGE AND SEX OF PATIENTS
FY 1989

Patient Age	Number of Visits Male	Number of Visits Female	Percent Distribution Male	Percent Distribution Female	Ratio Female to Male
ALL AGES	98,373	175,828	35.9	64.1	1.8
Under 5 years	33,317	32,088	12.2	11.7	1.0
5 to 9 years	5,877	5,594	2.1	2.0	1.0
10 to 14 years	3,402	4,098	1.2	1.5	1.2
15 to 19 years	2,516	11,516	0.9	4.2	4.6
20 to 24 years	2,286	16,252	0.8	5.9	10.9
25 to 34 years	5,695	24,786	2.1	9.0	4.4
35 to 44 years	5,741	12,619	2.1	4.6	2.2
45 to 64 years	16,198	27,097	5.9	9.9	1.7
65 years +	22,345	40,065	8.1	14.6	1.8
Unspecified Age	996	1,713	0.4	0.6	1.7

NOTE: Excludes PHN visits for the Alaska, Billings and Tucson IHS Areas.
Age groups do not sum to totals due to rounding.

SOURCE: Indian Health Service, Community Health Activities Report No. 19.

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COMMUNITY HEALTH REPRESENTATIVE CLIENT CONTACTS
By Setting, Function and Health Care Area, FY 1989

	Client Contacts 1/	
	Number	Percent Distribution
SETTING	3,753,237	100.0
Community	1,175,742	31.3
Hospitals and Clinics	1,035,969	27.6
Home	811,544	21.6
CHR Office	729,982	19.5
HEALTH FUNCTION	2,951,780	100.0
Problem Assessment, Therapeutic & Follow-up Services	1,323,244	44.8
Resolve Physical, Economic & Cultural Barriers to Health Care	1,061,034	36.0
Health Education & Consultation	314,808	10.6
Surveillance & Control of Environmental Factors Affecting Health	252,694	8.6
HEALTH CARE AREA	3,418,532	100.0
General Health Care	2,231,710	65.3
Maternal & Child Health	518,440	15.2
Environmental Health Care	283,192	8.3
Gerontological Health Care	280,930	8.2
Dental Health	66,716	2.0
Mental Health Care	37,544	1.0

1/ Estimated data based on CHR reports of actual client contacts completed during July and August, 1989. Based on these reports, annual workload projections through September, 1989 were prepared. The total number of client contacts reported under the headings of setting, function and health care area varies as a result of the manner in which training and administration were reported in each category.

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COMMUNITY HEALTH REPRESENTATIVE CLIENT CONTACTS 1/
For Leading Health Problems, FY 1989

Health Problem	Number	Percent Distribution
TOTAL CLIENT CONTACTS 1/	3,137,602	100.0
Maternal/Child Health	518,440	16.5
Health Promotion/ Disease Prevention	478,452	15.3
Diabetes	290,212	9.3
Adverse Environmental Condition	283,192	9.0
Cancer	241,176	7.7
Hypertension	165,542	5.3
Community Injury Control	147,628	4.7
Common Disease	78,520	2.5
Dental	66,716	2.1
Mental Health	37,544	1.2
AIDS	36,608	1.1
Substance Abuse	31,148	1.0
Other General Medical	762,424	24.3

1/ Estimated data based on CHR reports completed for July and August, 1989 which were projected through September, 1989.

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COMMUNITY HEALTH REPRESENTATIVE CLIENT CONTACTS 1/
For Leading Detailed Activities, FY 1989

Detailed Activity	Number	Percent Distribution
TOTAL CLIENT CONTACTS	2,951,780	100.0
Transport/Deliver Patients and Supplies	512,746	17.4
Case Finding and Screening	454,844	15.4
Provide Health Education Services	314,816	10.6
Monitor Patient	310,258	10.5
Provide Non-Emergency Patient Care	310,206	10.5
Provide Patient Clerical Services	305,994	10.4
Provide Environmental Services	252,694	8.6
Case Management--Coordinate	229,164	7.8
Provide Homemaker Services	38,662	1.3
Interpret/Translate for Patients	30,706	1.0
Provide Emergency Patient Care	18,772	0.6
Other Services	172,926	5.9

1/ Estimated data based on CHR reports completed for July and August, 1989 which were projected through September, 1989.

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INDIAN HOMES FUNDED TO RECEIVE SANITATION FACILITIES FROM IHS
FY 1960-1989

Fiscal Year	Total First Service	First Service & Upgrade	Existing First Service	HUD First Service	HIP First Service	Tribal & Other	Total Upgrade
TOTAL	174,173	231,358	63,916	68,075	16,136	26,046	57,185
1989	7,275	12,291	1,993	2,152	727	2,403	5,016
1988	5,524	8,114	1,340	2,153	573	1,458	2,590
1987	6,146	8,660	188	4,070	486	1,402	2,514
1986	5,750	7,999	395	2,429	618	2,308	2,249
1985	4,582	8,774	171	2,294	555	1,562	4,192
1984	3,758	7,323	150	1,297	701	1,610	3,565
1983	5,053	9,822	1,789	1,071	1,265	928	4,769
1982	8,699	9,817	958	5,779	568	1,394	1,118
1981	6,381	8,886	700	4,064	507	1,110	2,505
1980	6,486	9,227	726	4,212	610	938	2,741
1979	7,088	8,532	1,237	3,972	660	1,219	1,444
1978	3,270	3,560	479	1,211	797	783	290
1977	14,355	22,030	6,037	5,005	1,423	1,890	7,675
1976	7,438	9,895	699	4,596	730	1,413	2,457
1975	6,029	8,489	1,637	2,422	858	1,112	2,460
1974	6,071	8,321	2,534	1,964	571	1,002	2,250
1973	8,011	9,547	3,026	3,355	1,075	555	1,536
1972	8,961	10,919	2,613	4,851	707	790	1,958
1971	5,155	6,890	908	2,965	733	549	1,735
1970	6,792	7,728	2,011	3,843	619	319	936
1969	6,377	7,077	4,055	1,416	447	459	700
1968	4,984	5,021	3,637	748	458	141	37
1967	4,064	5,163	3,073	696	114	181	1,099
1966	4,155	4,420	2,600	954	101	500	265
1965	4,075	4,461	3,663	341	71	-	386
1964	6,089	6,380	5,783	164	142	-	291
1963	5,488	5,864	5,458	-	20	10	376
1962	3,450	3,455	3,399	51	-	-	5
1961	2,607	2,633	2,597	-	-	10	26
1960	60	60	60	-	-	-	

NOTE: Data for the later years represent estimates of services to be provided.

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SANITATION FACILITIES
Unmet Need Summary

Total Unmet Need: $1,773,764

	Water		Sewer		Solid Waste		Operation and Maintenance	
	Units	Cost (thousands)	Units	Cost (thousands)	Units	Cost (thousands)	Units	Cost (thousands)
TOTAL	124,223	$900,433	74,112	$633,033	78,757	$227,073	68,072	$13,225
1st Service	20,488		21,198		40,389			
Prev Service	103,735		52,914		38,368			

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P.L. 86-121 PROGRAM
Summary of Cash Contributions Received in FY 1989 by Contributor

Contributor	Contributions	Percent
TOTAL	$5,795,518.96	100.0
Local Government	4,691,030.21	80.9
Housing Authorities	580,466.36	10.0
Tribes	180,401.02	3.1
Individuals	160,500.00	2.8
Nonprofit Organizations	146,674.37	2.5
State Government	36,447.00	0.6

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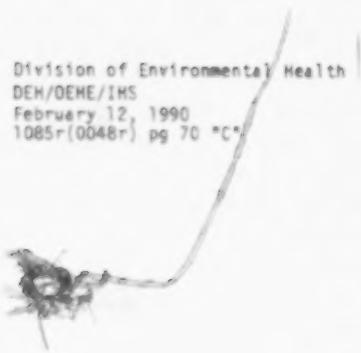

Mr. YATES. They're much more complete than they used to be when Admiral Pearson was a lieutenant. [Laughter.]

Dr. RHOADES. We do continue to refine our data collection efforts and to increase the amount of information that's made available to practitioners in the Indian Health Service, the Indian tribes themselves, and whoever else might be interested.

Mr. YATES. All right, let me find out where you need money. Let me ask you generally how adequate is this budget. We know that it's not adequate for medical care, don't we?

Dr. RHOADES. Yes, sir, the budget reflects that series of priorities that we operate in, and, as we've already said, it represents a level of funding that would provide about 70 percent of the—65 or 70 percent of the level of service needed.

HEALTH CARE PRIORITIES

Mr. YATES. In the other accounts in your budget, are the funds inadequate? Probably in all of them, but which are your priorities?

Dr. RHOADES. The general priorities that operate within the Indian Health Service—obviously first are those categories that are necessary to provide current services, the level of services, the same level of services as in prior years. It would seem to me to be almost axiomatic that that should be the case.

Following which, it is my general impression—and that of staff in Indian Health Service—that the growth of the Indian Health Service program in the last several years has added a great variety of kinds of services that are available to Indian people, and that it's necessary to provide attention to the basic health services of Indian people, that which I think you have emphasized as well as others. So, we would look toward very high priority support for the hospitals and clinics activity, the medical services, followed immediately by contract health services.

Then, because of the importance of preventing disease, the next priority would be a variety of activities all within the realm of preventive health. Some of the data that you just looked at here, for example, in the youth in the case of injuries, this would be very high on Indian Health Service priorities.

Public health nursing has been one of the programs that has always found itself in a situation again of, to be dramatic, describing the decisions that we have to make within the Indian Health Service of providing immediate care to those who are bleeding compared to preventing bleeding occurring in people further along.

So that the basic medical program, hospitals and clinics, contract health care and preventive services, would then be followed by the staffing necessary to most appropriately staff newly-constructed facilities, as you've already alluded to earlier today as well.

Following giving attention to what I call the basic program of the Indian Health Service, one of the things that has been occasioned by this population growth and the rapid growth in complexity of the program and the rapid growth in special needs, whether it is in diabetes or in mental health, and so on and so forth, in fact, has seriously outstripped the administrative side of the Indian Health Service. Our ability to appropriately oversee and manage

the program, in my opinion, has been in jeopardy for some years. This budget request represents an effort to deal with that.

In addition, somewhere at about this point we would say that the recruitment of medical care workers and retention of medical care workers—doctors, nurses, assistants, laboratory individuals, and so forth—would be placed at this point, as well as and somewhat in conjunction with the concerns I have about our ability to oversee the program in Indian Health Service because of its size and complexity—are increasing requirements for assuring the quality of care that is available in the Indian Health Service.

So, in comparison to just a few years ago, I think concerns about providing adequate levels of manpower, medical workers of all types, and quality assurance are much higher now than they were a number of years ago.

Mr. Pearson has already alluded to the need for maintaining the accreditation of facilities, as reflected in repair, maintenance and repair, and so forth. Those are the major concerns, but by no means an exhaustive——

Mr. YATES. How much money is wrapped in those? Do you want to put that in the record?

Dr. RHOADES. Yes. I think it would be more accurate if I were to do——

Mr. YATES. I'd like a list of your priorities that aren't covered in this budget.

Dr. RHOADES. We'd be glad to do that along with the dollar amounts that we think would be reasonable.

[The information follows:]

The following chart reflects my program funding priorities in rank order consistent with my original request for funds in FY 1991.

(Dollars in millions)

PROGRAM ITEMS BY RANK PRIORITY	PROJECT COST	CUM. COST
Hospitals and Health Clinics Services	$9.1	$9.1
Contract Health Care	5.2	14.3
Preventive Health Services and Technical Assistance	4.3	18.6
Staffing of New Facilities	4.4	23.0
Computer Systems	2.7	25.7
Mental Health	6.1	31.8
Nurse Recruitment	2.0	33.8
Regional Youth Treatment Centers	0.4	34.2
Direct Operations	3.0	37.2
Tribal Management	1.5	38.7
Equipment Initiative	5.0	43.7
Facilities Construction Staff	0.5	44.2
Maintenance and Repair	6.0	50.2
Quality Assurance Training	2.0	52.2
Emergency Medical Services	1.0	53.2
Third Party Billing System	2.0	55.2
Dental Supplies and Equipment	0.5	55.7
Alcoholism Project	1.5	57.2
AIDS Prevention (Training)	0.5	57.7
Community Health Representatives	2.5	60.2
Infant Mortality (FAS)	1.0	61.2
Urban Projects	2.0	63.2
Cancer Program	0.5	63.7
Urban Alcoholism Program	2.0	65.7
California Management Information System	3.0	68.7
Hospital and Health Clinic Services	40.0	108.7
Contract Health Services	39.0	147.7
Dental Program	4.7	152.4
Alcoholism Program	6.7	159.1
Preventive Health Initiatives	4.7	163.8
Nurse/Health Education	4.0	167.8
Community Health Representatives	11.6	179.4
Nursing Services and Training	5.4	184.8
Alcohol Preventive Initiatives	3.0	187.8
Cancer Screening and Education	0.5	188.3
Renal Disease (Technical Assistance to Tribes)	0.5	188.8
Infant Mortality	0.5	189.3
Special Projects (FAS)	0.5	189.8
Weight and Cardiovascular Fitness	1.0	190.8
Gerontological Education and Activities	0.6	191.4
Quality Assurance Accreditation Training	0.6	192.0
Training (EMTs)	0.3	192.3
Third Party Billing	1.0	193.3

PROGRAM ITEMS BY RANK PRIORITY	PROJECT COST	CUM. COST
Area Specific Analysis Projects	1.3	194.6
Headquarters West Operations and Development Transition	1.5	196.1
Nursing Recruitment and Retention	1.4	197.5
Nursing Long Term Training	5.0	202.5
Adolescent Project (ALC)	4.5	207.0
Rehabilitation for the Elderly	0.5	207.5
Community-Based Center for the Elderly	0.5	208.0
Employee Health Promotion Activities (Workshops)	0.6	208.6
Quality Assurance Training of Paraprofessional	2.1	210.7
Equipment and Continuing Medical Education	7.0	217.7
Federal Innovation Network	1.0	218.7
Indian Self-Determination	10.0	228.7
Quality Assurance	1.6	230.3
Maintenance and Repair	2.5	232.8
Program Improvement Fund	12.0	244.8
Mobile Dental Units Replacement	1.6	246.4
Dental Services	2.9	249.3
Clinics Upgrade (Facility/Staff)	1.9	251.2
Mental Health Services	14.0	265.2
Patient Management Training	1.5	266.7
Contract Health Services	42.0	308.7
Health Education Initiatives	2.3	311.0
Community Health Representatives	58.4	369.4
Indian Health Manpower	10.2	379.6
Tribal Management	3.0	382.6
Direct Operations	6.6	389.2
Hospital and Health Clinics Services	40.0	429.2
Office Automation/FTS 2000	0.7	429.9
Dental Health	6.0	435.9
Vaccine Trial	0.1	436.0
Urban Alcoholism Program	3.0	439.0
HIV	$1.2	$440.2

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Mr. YATES. I think I'm going to call an end to the hearing because I've lost my voice. I have questions I would ask and I might call you back for a couple more hours after this.

But, anyway, we'll see what your answers are and if they're clear enough, and I do want to know your priorities so that we can try to be helpful to the extent that we can be.

Is there anything else? Do you have a particular problem you want to tell us about? Are there any Indian tribes in dire straits that need particular sums of money to take care of their health problems? Are there any that need clinics that are in the situation of Pine Ridge, that have been waiting years and years and years and years for attention?

Dr. RHOADES. Oh, yes, there are. There are clinics that——

Mr. YATES. Are they on Mr. Pearson's list?

Dr. RHOADES. Well, I'd better let Mr. Pearson answer, but certainly his attention is directed at that specific question. I would—well, I'd better let him answer.

Mr. YATES. Can you give us, by an insertion in the record, give us a briefing of those areas and places——

Mr. PEARSON. Yes, sir.

Mr. YATES [continuing.] That need the kind of help that Pine Ridge needed.

Mr. PEARSON. In addition to the ones that are on the priority list?

Mr. YATES. I assume the ones on your priority list are even in worse shape than those that aren't on it.

Mr. PEARSON. They are the most urgent; that's correct.

Mr. YATES. Is there a description of each of those on your priority list in the record?

Mr. PEARSON. I would be happy to provide it for the record.

Mr. YATES. Okay, as to why you have placed them on the priority list.

Mr. PEARSON. Yes.

[The information follows:]

Superseding 2/13/90

IHS Health Facilities Construction

($000)

Facility	Prior Year Funding	Projected Additional Costs	Total Projected Costs	Remarks	YEAR LISTED ON PRIORITY LIST
Anchorage, AK Hosp. 1/	$14,000	$123,785	$137,785	A/E negotiations	1980
Pine Ridge, SD Hosp 2/	$11,037	$16,138	$27,175	Constr. Documents	1988
Kotzebue, AK Hosp 3/	$5,070	$51,202	$56,272	Constr. Documents	1988
Shiprock, NM Hosp 4/	$3,279	$50,396	$53,675	A/E Awarded	1988
Ft. Belknap, MT Facs 5/	$1,105	$10,860	$11,965	Project stalled	1988
Parker, AZ OPD 6/	$743	$7,687	$8,430 *	PJD Development	1986
Kotzebue, AK Pers Qtrs 7/	$2,359	$23,085	$25,444 *	A/E selection process	1987
Pine Ridge, SD Qtrs 8/	$1,559	$12,457	$14,016	Design develop	1987
Barrow, AK Pers Qtrs 9/	$9,651	$7,300	$16,951	A/E selection process	1987
Belcourt, ND Pers Qtrs	$922 18/	$3,478	$4,400 *	PJDQ development	1987
Ft. Defiance, AZ Hosp 10/	$2,204	$43,851	$46,055 *	PJD submitted HQ	1984
Crow, MT Hosp 11/	$1,122	$28,475	$29,597	A/E negotiation process	1988
Belcourt, ND Hosp 12/	$1,142	$18,403	$19,545	A/E awarded	1988
Taos, NM Hlth Ctr 13/	$263	$5,574	$5,837 *	PJD development	1988
Tohatchi, NM Hlth Ctr 14/	$590	$8,735	$9,325	A/E Awarded	1988
Ft. Yuma, AZ Hlth Ctr 15/	$667	$5,953	$6,620	Site selection	1988
Second Mesa, AZ HC	$642	$8,358	$9,000 *	PJD development	1988
Winnebago, NB Hosp 16/	$50	$9,950	$10,000 *	Planning study	1988
Phoenix Indian Med Ctr, AZ 17/	$150	$36,000	$36,150 *	Planning study	1988
Pinon, AZ Hlth Ctr	$890	$11,270	$12,160 *	PJD development	1988
White Earth, MN Hlth Ctr	$970	$9,311	$10,281 *	PJD development	1988
Monteruma Creek, UT HC	$0	$10,000	$10,000 *	PJD development	1988
Stilwell, OK Hlth Ctr	$0	$7,756	$7,756	Site selection	1988
YPRT Centers (Drug Bill)	$4,000	$5,200	$9,200 **		
TOTAL	$58,415	$510,024	$568,439		

a/ Reflects reduction pursuant to P.L. 101-239
b/ Does not include Hospitals - R&I and Energy Packages and Sanitation Facilities which are also part of 1991 request.

1/ Appropriated: $2,000,000 planning—A/E (FY 84), $4,500,000 phase 2 design (FY 87), $5,000,000 site purchase & sitework (FY 88), $2,500,000 complete design (FY 89)
2/ Appropriated: $1,360,000 planning—A/E (FY 84), $9,677,000 Phase I construction (FY 87)
3/ Appropriated: $1,958,000 planning—A/E (FY 86), $3,112,000 planning, design, and Phase I Construction (FY 90)
4/ Reprogrammed: $96,000 for feasibility study from completed projects & $8,200 (rounded) from Browning project (FY 85), Appropriated: $3,175,000 plan & design (FY 87)
5/ Appropriated: $807,000 planning and design (FY 87), $298,000 construction (FY 89)
6/ Reprogrammed: $30,000 for engineering analysis (FY 87), Appropriated: $693,000 planning and design (FY 88)
7/ Appropriated: $652,000 planning and design (FY 88), $1,707,000 planning, design, and Phase I construction (FY 90)
8/ Appropriated: $571,000 planning and design (FY 88), $988,700 Phase I construction (FY 90)
9/ Appropriated: $750,000 planning and design (FY 88), $8,901,000 planning, design, Phase I construction and equipment (FY90)
10/ Appropriated: $2,204,000 planning and design (FY 88)
11/ Reprogrammed: $15,000 Phase II Site Survey (FY 86); Appropriated: $860,000 planning and design (FY 89), $247,000 planning and design (FY 90)
12/ Appropriated: $1,142,000 planning and design (FY 88)
13/ Appropriated: $50,000 planning (FY 89), $213,000 planning and design (FY 90)
14/ Reprogrammed $9,200 for Phase II Site Survey (FY 87), $381,000 planning and design (FY 89)
15/ Appropriated: $667,000 planning and design
16/ Appropriated: $50,000 planning (FY 89)
17/ Appropriated: $150,000 planning (FY 89)
18/ DHS coordinating need for quarters.

* Preliminary estimate pending completion of final cost estimate by Office of Engineering Services.

** Funded as part of the IHS Substance Abuse Treatment Program. Evaluation and approval of this project was not part of the IHS Priority System process

Mr. YATES. All right. Is there anything else you want to tell us, Admiral Rhoades?

Dr. RHOADES. I believe that you've covered it very nicely, as usual, Mr. Yates. I hope your voice recovers. Between your voice and my hearing loss, I realize we're both straining. [Laughter.]

Mr. YATES. Thank you very much.

[Questions and answers for the record follow.]

ADDITIONAL COMMITTEE QUESTIONS

ALCOHOLISM

Question. On January 31, the MacNeil-Lehrer news hour had a segment on the alcoholism problem in Gallup, New Mexico. The program showed the overnight incarceration of Indians "under the influence" and their release the next day, after "drying out," only to return again and again. What is the IHS doing to address the alcohol problem in Gallup?

Answer. The IHS has met with Congressional leaders, the City of Gallup, the Council of Governments, and the Navajo Tribe to develop a remedial plan to address the alcohol problem in Gallup. The plan includes development of an adult crisis center, continued treatment in aftercare with the Navajo Tribe, and an expansion of the Gallup Indian Medical Center to provide detoxification services.

Question: Are there situations in other cities like the problem in Gallup? Which cities?

Answer: There are situations of high demand for enhanced detoxification services in locations like Anchorage, Alaska and Phoenix, Arizona, where there are major Indian medical/referral hospitals. The phenomenon experienced by the city of Gallup is not an isolated occurrence, but, to a lesser degree, it is experienced by other population centers bordering on reservations as well as in urban areas that have large Indian populations. However, it has not been determined whether the magnitude of such demand is equal to that experienced by Gallup, New Mexico, which borders a "dry" reservation and serves as the major trade center for that reservation.

Question. What more should be done to solve the problem?

Answer. The issue confronting border towns and urban cities with large American Indian/Alaska Native populations is a complex problem whose solution requires the concerted cooperative planning at all levels of Government in the city, county, State, and the Federal Government, and the reservation community. Those actions include comprehensive treatment planning that emphasizes aftercare which is the major component that determines successful treatment after inpatient/outpatient care and the patient returns to the community. Activities are underway to address the problem in the affected communities.

ALCOHOL AND SUBSTANCE ABUSE

Question. At what level of need are IHS Alcoholism and Anti-Drug Abuse Programs currently funded?

Answer. The level of need funded by both the Alcoholism and Anti-Drug Abuse Programs is currently at about the 54 percent level.

Question. At what level will they be funded if the FY 1991 request is adopted?

Answer. The FY 1991 budget maintains FY 1990 services, so the

level of need funded will continue to be 54 percent.

The FY 1991 request for alcohol and substance abuse prevention and treatment activities includes $33 million in the hospitals and clinics program and $34.9 million in the alcoholism program.

Question. Is that enough?

Answer. As responded to in an earlier question, these resources permit IHS to provide approximately 54 percent of the need.

Ouestion. If additional funds were available, how would you use them?

Answer. If additional funds were available, the following activities would be expanded:

- Urban youth treatment and prevention services;
- Aftercare services;
- Group home development;
- Construction of regional treatment centers;
- Quality assurance services;
- Research into program effectiveness;
- Professional services in tribal programs; and
- Services to meet tribal action plan deficiencies.

Question. What would you have done with the $2 million in your initial request to the Public Health Service for an "alcoholism project?" (IHS priority rank 32)

Answer. The request of $2 million in the Alcoholism Activity would have allowed for additional support for intermediate or halfway house programs in underserved areas to include Phoenix, Tucson, Portland, Navajo, Nashville, and Alaska Areas as well as development of a full range of needed services.

Recent opportunities to develop treatment services for Indian adolescents made it possible to intervene in many family systems for the first time. The Alcoholism and Substance Abuse Program is concerned that the long-term effectiveness of such interventions will be reduced if treatment services are not available to the extended family when needed.

Question. What would you have funded with the $2 million which was denied in your initial request for urban alcohol programs? (IHS priority rank 38)

Answer. The request of $2 million in the Alcoholism Activity would have provided in urban areas an extension of IHS alcoholism services and allow the IHS to initiate comprehensive alcoholism and substance abuse prevention treatment programs as provided in Public Law (P.L.) 100-690, Omnibus Drug Act of 1988. Funds will also permit the IHS to address the unmet health needs of the urban Indian communities as provided for in P.L. 100-713, P.L. 100-690, and AIDS funding to coordinate activities with the Bureau of Health Care Delivery Assistance.

Question. How would you have deployed the 13 FTEs and $6,700,000 which was denied for your alcoholism program? (IHS priority rank 45)

Answer. The additional 13 FTEs would have provided support for aftercare services in each IHS Area. One position would be used in Headquarters to coordinate the $10.6 million Aftercare Program; one position in each IHS Area Office to coordinate their counterpart program.

Question. Isn't it true that the $34.9 million for the alcoholism program is devoted to detoxification programs and the $33 million in hospitals and clinics is devoted to youth treatment and inpatient care?

Answer. No, the $34.9 million appropriated to the IHS Alcoholism Program is used to provide adult alcoholism and substance abuse outpatient treatment services, adult primary residential treatment services, outreach, intervention, referral, aftercare, community education and prevention services. Less than 5 percent of alcoholism funding is used for medical and social detoxification services. However, medical detoxification services are provided through the hospitals and clinics budget. The $33 million that was appropriated in hospitals and clinics does support youth treatment through IHS adolescent residential treatment centers, contracted adolescent residential treatment services, community rehabilitation services, aftercare, community education and prevention services.

Question. What programs are there to provide for adult treatment and inpatient care? How are these programs funded?

Answer. The Indian Health Care Improvement Act authorized the IHS to expend resources for adult treatment and inpatient care. Treatment services include adult alcoholism and substance abuse outpatient treatment services, adult primary residential treatment services, outreach, intervention, referral, aftercare, community education and prevention services. These 328 community-based service programs are funded in the alcoholism budget category and are operated by Tribes or Tribal organizations under contract with IHS. In FY 1990 the appropriation included $33 million for this program and the FY 1991 President's Budget contains $34.9 million.

FETAL ALCOHOL SYNDROME

Question. The Committee is pleased to note that you have included $1,132,000 in the budget request for prevention of Fetal Alcohol Syndrome (FAS), including $100,000 for continuing the University of Washington research on FAS. Is $1.1 million the total amount requested for FAS? If not, what other funds have you requested and where are they shown in your budget?

Answer. Yes, $1.1 million was the total amount requested for FY 1991.

Question. How does FY 1991 request for FAS prevention compare with FY 1990 funding for this program?

Answer. The FY 1991 request is $1,132,000, the same as that for FY 1990. Two new FAS prevention programs are being initiated in FY 1990. They are the FAS training team and the prenatal treatment program for Alaska Native women, as shown below. FY 1990 and 1991 total funding of $1,132,000 is comprised of-

$250,000	For a FAS training team to provide training in FAS for IHS professionals and Indian communities.
$527,000	For a special prenatal treatment program for Alaska native women who abuse alcohol and other substances.
$100,000	University of Washington research on FAS.
$255,000	For FAS prevention programs.
$1,132,000	

Question. Will all of the FAS projects funded in FY 1990 be continued at the same level in FY 1991? If not, which ones will be expanded or reduced in scope?

Answer. All of the current FAS projects being funded will be continued at the same level.

Question. Are any new FAS projects planned for FY 1991? If so, what are they and what will they cost?

Answer. No new FAS projects are planned for FY 1991. The two projects being initiated in FY 1990 will become fully operational in FY 1991.

Question. What FAS projects did you propose in your initial budget request that didn't make it into the current budget request? (IHS priority rank 34)

Answer. Initially proposed as a new FAS project were $500,000 and 7 FTE's for the purpose of providing FAS coordinators in 7 of the 11 IHS Areas. The additional request of another $500,000 and another 7 FTE's for the reduction of infant mortality was also related in that the abnormalities associated with FAS can contribute to infant mortality. Our current thinking is that Area coordinators could function within the entire sphere of children with special needs which would include FAS, handicapped children, and children at high risk for morbidity and mortality.

The Area coordinators for children with special needs would-

(1) Coordinate preventive and comprehensive health care services-

(a) Between health care disciplines such as Alcohol, Mental Health, Social Services, Public Health Nursing, Community Health Representatives, Health Education, and Maternal-Child Health,

(b) Between local health care Service Units,

(c) With other agencies,

(d) With states.

(2) Stimulate and enhance health care facility and community FAS prevention programs.

(3) Provide ongoing consultation and technical assistance to local health care programs and communities, complementing the initial FAS training provided by the IHS national FAS training team.

(4) Ensure that each local Service Unit maintains a register, tracking mechanism, and case management system for FAS and other children with special needs.

It is anticipated that the capability to carry out the preceding activities will result in improved health care services and a reduction in the occurrence of FAS through individual patient and community education and motivation.

YOUTH ALCOHOL AND SUBSTANCE ABUSE TREATMENT FACILITY

Question. What location have you chosen for the Inland Tribal Consortium's youth alcohol and substance abuse treatment facility?

Answer. The seven tribes of the Inland Tribal Consortium have agreed that the treatment facility will be constructed in a semi-rural fringe area of Spokane, Washington. A specific site will be selected and purchased after facility planning documents have been approved.

Question. What is your estimate of the cost of land acquisition for the facility site?

Answer. It is estimated that a 10-12 acre parcel of land meeting facility and program requirements can be purchased in the Spokane area for $275,000.

Question. How much do you estimate it will cost to construct the facility?

Answer. Based on preliminary program requirements, it is estimated that the total cost to design, construct, and equip the facility will be approximately $6.4 million.

Question. When do you estimate construction will begin?

Answer. The current project schedule calls for construction to begin by June 1992.

Question. How long will it take to construct the facility?

Answer. It is estimated that it will take 16 months to complete construction and have the facility ready for occupancy.

Question. What funds are available for this project in FY 1990 and 1991? Are additional funds required? If so, how much?

Answer. Currently, $600,000 is available for land purchase, planning, and design for this project. It is estimated that an additional $3.8 million in FY 1992 and $2.0 million in FY 1993 will be required to construct and equip the facility.

NISQUALLY YOUTH SHELTER

Question. What funds are available for construction and operation of a youth shelter and counseling center on the reservation of the Nisqually Tribe in Washington?

Answer. The IHS supports the concept of youth shelters/counseling centers. Public Law 99-570, the Anti-Drug Abuse Act of 1986, provides that the Bureau of Indian Affairs shall be responsible for planning, design, construction, and renovation of emergency shelters for Indian youth.

Question. How are you working with the Nisqually Tribe on this project?

Answer: To date, the Nisqually Tribe has neither submitted a project proposal nor approached the IHS for assistance related to the proposed project. Should the tribe need help in developing planning documents or a funding proposal, IHS staff can lend assistance to the extent of its expertise in these areas.

CONFEDERATED TRIBES OF THE GRAND RONDE COMMUNITY

Question. To what extent do you support the request of the Confederated Tribes of Grand Ronde Community in Oregon to expand their youth drug and alcohol treatment center?

Answer. The services presently provided at the Nanitch Sahallie Youth Drug and Alcohol Treatment Center are valuable and merit support as there is a shortage of adolescent treatment beds. Area wide community needs assessments have indicated a need for approximately three times the present bed space of 47. However, there are similar needs in other IHS Areas, and in order to achieve equity, the IHS prefers to distribute additional funds using the current IHS resource allocation process unless otherwise directed.

REGIONAL YOUTH TREATMENT CENTERS

Question. How much is included in your FY 1991 request to expand alcohol and substance abuse prevention and treatment programs?

Answer. The FY 1991 budget includes $67,880,000 for alcohol and substance abuse prevention and treatment programs and maintains the level of services provided in FY 1990.

Question. Why are no funds included for construction and renovation of youth primary regional treatment (YPRT) centers in fiscal year (FY) 1991?

Answer. In FY 1987, the Congress appropriated $5.5 million for the IHS to renovate or construct YPRT centers in each IHS Area. In FY 1990, we received an additional $1.5 million for projects underway. Because of unexpected delays in finalizing the requirements for the remaining projects, the IHS did not believe that additional construction funds would be required in FY 1991.

Question. What amount of funding is required to complete renovation and construction of the Sitka and Fairbanks facilities? Why aren't these funds included in your request?

Answer. It is estimated that an additional $400,000 is required to complete the two projects. The extent of the funds required for the two projects was not known when the Indian Health Service (IHS) fiscal year (FY) 1991 budget request was developed. As mentioned in response to the previous question, because of unexpected delays in part of the process, IHS did not believe that additional funds would be required in FY 1991.

Question. Are there other youth treatment centers in this situation of insufficient funds to complete renovation and construction? If so, what are they and what are the funding requirements?

Answer. Yes. In addition to the proposed sites in Alaska which are not completely funded through FY 1990 appropriations and which are estimated to require $400,000 to complete the initial phase, the Phoenix and Tucson Areas combined Youth Regional Treatment Centers at Schurz, NV and Gila River, AZ will require approximately $1 million additional to complete.

The youth regional treatment center for the Inland Tribal Consortium in Washington State will require approximately $5.8 million for construction, in addition to the $600,000 currently available for engineering studies, site purchase, and design.

Question. What was your initial request to the Public Health Service for renovation and construction of regional youth treatment centers?

Answer. The initial request for renovation and construction funds was $7 million.

Question. Please provide details for the record, of what additional facilities would have been funded in your initial request. (See IHS priority rank 20).

Answer. In reference to the initial request, an additional need was anticipated for the construction of the Inland Tribal Consortium Regional Treatment Center for the IHS Portland Area. However, the current need for that facility has now risen to $6,380,000. In addition, there are construction needs within the Alaska, Aberdeen and Phoenix Areas in the amount of $2 million.

Question. How many Regional Treatment Centers are planned in total?

Answer. Regional Treatment Centers (RTC) are planned in the

following IHS Areas.

- Aberdeen
- Alaska
- Albuquerque
- Nashville
- Navajo
- Oklahoma City
- Phoenix/Tucson
- Portland

The following IHS Areas have not yet submitted plans to develop RTCs.

- Bemidji
- Billings
- California

Question. When do you expect all the Regional Treatment Centers to be renovated and operational?

Answer. We expect Schurz, AZ and Chief Gall, SD to be operational in 1991. If funds are made available, Gila River, AZ and the Inland Tribal Consortium site near Spokane, WA are expected to be completed in 1992. Sitka (Mt. Edgecumbe) AK is currently operational and will remain so during the proposed renovations.

There is currently a small youth treatment center operating in Fairbanks, AK which was not constructed with P.L. 99-570 funds. They are proposing a new tribally-owned facility with expanded capabilities on another site. Before they will be able to proceed, they must obtain the concurrence of all the affected tribes. If they are unable to obtain the necessary resolutions of approval in a timely manner, construction of a federally-owned facility could be considered.

WINNEBAGO TRIBE DRUG DEPENDENCY UNIT

Question. How successful has the Drug Dependency Unit, operated by the Winnebago Tribe of Nebraska, been?

Answer. Based on a review of 1989 Drug Dependency Unit (DDU) statistics, 15 percent of the clients discharged remained abstinent after 12 months. This suggests a need for a stronger aftercare program.

Question. How was this unit established? (The Tribe says they have been operating the unit for 15 years.)

Answer. In 1975, the Winnebago/Omaha Service Unit, in conjunction with the Winnebago and Omaha Tribal Health Boards, determined that based upon a lessening demand for inpatient acute care services, they were able to broaden the scope of inpatient services to more comprehensively manage a leading health problem, i.e., alcoholism.

Accordingly, an unused ward and existing Service Unit staff were identified to provide more comprehensive inpatient care and

services to alcoholic patients. The program has continued to function; however, over more recent years, resources have been inadequate to meet this need while maintaining general acute care services.

These inpatient services are complemented by tribal programs. The Winnebago Tribe locally operates an adolescent and adult outpatient treatment component as well as an adult halfway house. The Omaha Tribe also provides the same service to their tribal members. Additional off-reservation services are available for further support to provide a comprehensive system of care.

Question. Do you support other drug dependency units like the one at Winnebago? If so, where are they and what is the level of support at each?

Answer. The Winnebago Drug Dependency Unit is the only adult inpatient unit providing such enhanced alcohol and drug treatment within the hospitals and clinics program. Most other treatment is provided through approximately 328 tribal community-based service contracts. Such adult primary residential treatment services are operated and managed by tribes.

Question. To what extent has IHS examined the possibility of extending this concept to other locations? What other tribes are interested?

Answer. The IHS has identified the need for primary residential treatment centers. However, this was a unique situation at the Winnebago Service Unit in 1975, in which under-utilized space and personnel were available for this special emphasis activity. This in general does not apply elsewhere, because staff are fully involved with the existing health care programs. The IHS has adopted the programs philosophy that the control of alcoholism and substance abuse remains a community issue with IHS in a partnership role. Many tribes are interested in expanding their capabilities for in-patient care.

Question. The Winnebago Tribe has asked that IHS provide $390,000 in annual funding to continue operation of the drug dependency unit. What is your position on this request?

Answer. The services presently provided at the Winnebago/Omaha Service Unit are valuable and merit support. However, in order to achieve equity, the IHS prefers to distribute additional funds using the current IHS resource allocation process unless otherwise directed.

DETOXIFICATION IN BIA DETENTION FACILITIES

Question. Last year the Committees asked you to work with the BIA and the Office of Construction Management in the Department of the Interior to explore the possibility of including detoxification services in BIA detention facilities. What have you done to comply with the Committees' direction?

Answer. The IHS consulted with the BIA to determine how detoxification services could be incorporated in BIA detention

facilities. It concluded that a model program could be undertaken in a new detention facility but that expansion into other detention facilities should not be undertaken unless the model proved beneficial. The IHS has funds available to assist in the staffing of the project.

Question. What did you recommend in your report to the BIA?

Answer. The IHS recommended that providing detoxification services in BIA detention facilities be undertaken cautiously and with thorough evaluation as to the benefit to the Indian community. The inclusion of such a program in a detention facility should not be undertaken without a full written agreement with the BIA and the affected tribe describing in detail the responsibilities of each party. The service should include an aftercare component and an evaluation component which monitors the recidivism rate to determine the benefit to the community in the reduction of alcoholism and associated legal problems.

Question. How were your recommendations incorporated in the joint IHS/BIA report?

Answer. All IHS recommendations were incorporated in the Report to Congress.

ALCOHOLISM AND MENTAL HEALTH

Question. What has your study shown on the feasibility of merging the Alcohol and Mental Health programs?

Answer. The Department of Health and Human Services (DHHS) is currently reviewing the final merger document. The final report document will be transmitted to the Committee as soon as it is cleared through the DHHS.

Question. What do you see as the main benefits to be achieved from such a merger?

Answer. The Department is currently reviewing the merger document.

Question. What are the drawbacks associated with merging these programs?

Answer. The Department is currently reviewing the merger document.

Question. When do you expect to transmit a report to the Committee on this issue?

Answer. The final report will be transmitted to the Committee as soon as it is cleared through the Department.

CONTRACT CARE REQUEST

Question. The request for contract health care is $250,794,000 which is $27 million less than Public Health Service budget request to the Department! What was the contract health services sho_tfall

in FY 1989?

Answer. The estimated shortfall in FY 1989 for contract health services in the priority 1 category was $21 million.

Question. What shortfall is expected in FY 1990?

Answer. Assuming that FY 1990 health care needs will be the same as FY 1989, and based on the FY 1989 estimated need of $21 million, the projected FY 1990 shortfall, using a 5.8 percent inflation rate is $22.2 million. This would be reduced by the $12 million increase received in the FY 1990 appropriations.

Question. What funding is included in the FY 1991 request for the Catastrophic Health Emergency Fund? How does that compare with FY 1989 and FY 1990?

Answer. The FY 1991 budget plan for the Indian Health Service, includes $12 million dollars for the Catastrophic Health Emergency Fund. This $12 million dollar budget plan is consistent with the level of funding for FY 1990 and represents an increase of $2 million over the FY 1989 funding level.

DEFERRED SERVICES

Question. What was the backlog of deferred services (non-emergency) at the end of FY 1989?

Answer. The backlog of deferred services in FY 1989 was approximately 32,200 cases.

Question. What do you estimate it will be at the end of this year?

Answer. It is expected that the deferred services cases will be approximately 30,000 in FY 1990.

Question. What funds are included in your FY 1991 request to address the backlog of deferred services?

Answer. The total IHS request for Contract Health Services will be available to support the highest priority of needs and does not include a fund request specifically for deferred services.

TRIBAL SET-ASIDE FOR CONTRACT CARE

Question. The Chairman of the Squaxin Island Tribe has suggested that some percentage of contract care funds be set aside for the individual tribes to establish priorities to address areas of particular concern. (for example, prosthetic dental care for the elderly, eye glasses needed to retain or gain employment) -- How do you respond to that suggestion?

Answer. The IHS Health Services Priority System indicates a level of need funded at 62 percent. Consequently, in the CHS program, IHS Areas have to restrict their medical priorities to urgent and emergent care only in order to stay within available resources. The examples of medical services cited are much lower

in these medical priorities. In regard to, tribal contractors, they are required to perform only those requirements within the scope of work under the terms of the contract. However, in the spirit of self determination and consistent with P.L. 93-638, the IHS allows a great deal of latitude for Tribal contractors to establish their own parameters within the IHS policy; Therefore, contractors may establish their own medical priorities within the funds available in the contract.

RISK POOLS

Question. Several tribes have suggested establishing a "risk pool" to meet the needs of eligible contract health care recipients whose costs exceed $1,000 but fall below the Catastrophic Health Emergency Fund (CHEF) threshold of $10,000.

What is the magnitude of need for such a "risk pool"?

Answer. Tribal health delivery programs, contracted from Indian Health Service (IHS) under Public Law (P.L.) 93-638 with the ability to purchase medical care and services using Contract Health Services (CHS) resources, experience some level of need for medical claims that exceed $1,000 but fall below the CHEF threshold of $10,000. A Risk Pool of $3 million dollars was suggested to represent the level of need by the California tribes for their Area only. We do not have a current estimate of the total IHS need for these specific costs. The factors and information needed to make the determination will require consultation and input from the Tribally operated programs.

Question. How would a "risk pool" work? Would you establish separate pools in each region? If not, what would you do?

Answer. The Risk Pool (RP) would be accessed by eligible Tribal health delivery systems, for Contract Health Services (CHS) patients whose medical claims exceed $1,000 but fall below the Catastrophic Health Emergency Fund (CHEF) threshold of $10,000. Our experience suggests that the RP would be better managed centrally, where all tribes could access the RP on a case-by-case basis. Since the CHEF threshold level for small tribes has been established at $10,000, any medical claim exceeding the $10,000 limit on the RP, could be funded by the CHEF.

Question. What amount of funds would be reasonable to address this problem?

Answer. A Risk Pool of $3 million dollars was suggested as being needed by the California tribes for their Area only. We do not have a current estimate of the total IHS need. A determination of this need will require consultation and input from the Tribally operated programs.

Question. How would the risk pool be administered? What amount of funds would be required for additional administrative support?

Answer. It is our recommendation that the Risk Pool (RP) be administered centrally by the Indian Health Service (IHS) as the

Catastrophic Health Emergency Fund (CHEF) is administered, where all tribes could access the RP for medical claims that exceed $1,000 and fall below the $10,000 CHEF threshold level for small tribes. If the medical claim exceeded the $10,000 limit on the RP, then the Tribal health delivery system could be funded simultaneously for these medical costs from the CHEF. It would be wise to exempt the RP from fiscal year limitations like the CHEF, since many of the medical claims cross-over to other fiscal years. An additional two FTE would be required for oversight and management of the RP for an analyst and clerical support.

INFLATION AND GROWING POPULATION

Question. In testimony before the Committee on March 14 and 15, several tribes stated that the contract health services budget is woefully inadequate and becoming more so each year as the budget fails to keep pace with inflation and with a growing service population. Do you agree with that assessment?

Answer. The IHS Contract Health Services budget has grown by $142 million, or 249% since 1980. Similar to other health care delivery systems, keeping pace with medical inflation, a growing service population, and even uncompensated care has affected our ability to purchase care in a severely stressed market.

Question. How does your FY 1991 budget request address this problem?

Answer. The FY 1991 budget for Contract Health Services assumes an inflation factor of 5.6 percent. There are no funds in the FY 1991 budget to specifically address population increases.

KEEPING PACE WITH INFLATION

Question. What inflation estimate is included in your FY 1991 budget request? How does that compare with the estimate for medical inflation?

Answer. The FY 1991 President's Budget reflects inflation deflators of 5.6 percent for medical and 3.3 percent for non-medical service. These are the estimates for medical and non-medical inflation which were used by all Federal agencies for the purpose of formulating the FY 1991 President's Budget.

Question. What additional funds would need to be added to your FY 1991 request to fully fund medical inflation?

Answer. The FY 1991 President's budget includes an overall increase of $41,222,000 or 5.0 percent to meet the projected impact of inflation on IHS programs? We estimate that if inflation were higher than currently projected, for every tenth of a percent above the requested 5.0 percent the need would be $816,000.

Question. What is the total cost associated with the 50% pay raise absorption estimate in your FY 1991 budget request? Does that include pay raise absorption for tribal contractors as well? If not, what is that number?

Answer. The following table reflects the FY 1991 pay raises to be absorbed. The figures do not include estimates for tribal contractors. The IHS requests resources to support the effects of inflation on the programs including tribal contracts as a built-in increase. This includes all of the costs associated with the operations including salaries. For Example, in FY 1991, IHS is requesting an increase of 5.6 percent on the total FY 1990 base for tribal contracts which provides for a pay raise. Therefore, it would be inappropriate to include the tribal contractors in the Federal Employees' pay raise cost estimates.

FY 1991 PAY RAISE ABSORBED IN FY 1991 CONGRESSIONAL JUSTIFICATION

Dollars in Thousands

	Amount	
Hospitals and Health Clinics	$4,702	
Dental Services	301	
Mental Health	166	
Alcoholism	4	
Contract Health Care	9	
Total Clinical Services	$5,182	
Sanitation	238	
Public Health Nursing	148	
Health Education	26	
Total Preventive Health	412	
Direct Operations	504	
Total IHS	$6,098	a/

a/ Represents 50 percent absorption of the total amount projected for 3.5 percent pay raise effective for 9 months in FY 1991.

Question. What is your estimate of the funding required to cover the pay raises for Commissioned Corps physicians? How much of this requirement is included in your FY 1991 request?

Answer. The special pay raise for physicians is being absorbed by IHS. The cost of this special pay is estimated to be $10,032,000.

Question. How do you ensure that tribal contractors get the same allowance for pay raises as Federal employees?

Answer. The pay raise resources received are shared with tribal contractors on an equitable basis. However, if IHS has to absorb the cost, tribal contractors are treated accordingly.

Question. On page 72 of your budget request you point out that the cost of supplies related to infection control, such as gloves and masks, has increased by more than 400 percent since 1985. How does your budget provide for this increase?

Answer. There is no specific item in the FY 1991 budget for infection control. Report language accompanying the FY 1989 appropriation earmarked $100,000 for infection control. Overall additional costs for infection control are estimated at about $1.9 million, of which approximately $500,000 is for expendable supplies, such as gloves and masks. We are making every effort to accommodate infection control costs by deferring the purchase of nonessential items.

EXPANDING SERVICE POPULATION

Question. At what rate is the Indian population increasing?

Answer. The IHS service population has grown at an average yearly rate of approximately 3.0 percent over the last ten years. There are two components to this growth -- natural rate of change (i.e., births minus deaths) and the addition of federally recognized tribes. The natural rate of change has averaged 2.6 percent per year.

Question. -- How does your FY 1991 budget request provide for an increasing service population?

Answer. The FY 1991 President's Budget does not include a specific program increase for the additional service population, but their needs will be considered within existing program funds and priorities.

INDIAN HEALTH CARE IMPROVEMENT FUND

Question. What methodology are you using for distributing the $10 million appropriated in FY 1990 for the Indian Health Care Improvement Fund to raise the health status of Indians?

Answer. The allocation methodology used for distribution of the Indian Health Care Improvement Fund is a modification of the Resource Allocation Methodology (RAM) which was developed over a 2-3 year period with extensive tribal consultation. A modification to the RAM was required to comply with the requirements contained in Section 201 of P.L. 100-713. The modifications include: 1) the priority system must apply to tribes or service units; 2) available resources must include IHS appropriations as well as funds from other Federal programs, private insurance, programs of State and local governments; 3) only one criteria must be used - the level of resources deficiency; 4) to qualify to receive funds, a service unit or tribe must have a resources deficiency in excess of 40 percent; and 5) once an allocation is determined, the apportionment of funding must be determined in consultation with affected Indian tribes.

Question. How does your health service priority system methodology allow for the higher costs associated with providing health care to very remote rural areas.

Answer. Thirty two of the 161 operating units included in the Health Services Priority System Report have 50 percent or more of their population residing in urban counties. One hundred twenty-nine operating units (80 percent) are in rural counties, making the allocation predominately rural. One of the four elements of the RAM is standardized cost. If such costs are higher in remote rural areas, these costs would be factored in the RAM.

Question. How do you use "years of productive life lost" in your methodology?

Answer. "Years of Productive Life Lost" (YPLL) is used as a proxy measurement of health status. It is a mortality indicator

which measures the burden of premature deaths - deaths that occur before age 65 - which is borne disproportionately by Indian people. This is a widely used index which permits the targeting of resources to places with great medical burdens as reflected in YPLL.

Question. Several tribes have suggested that the "years of productive life lost" measure ends up in less funding going to Areas where people live longer, thus failing to recognize the large costs associated with caring for an older population.

How do you respond to that criticism?

Answer. The IHS realizes that the use of the YPLL in determining the health services priority system implies a fundamental moral choice between youth and age. Such choices are not easy. The use of YPLL simply reflects the focus of IHS policy on the most pressing health problem of Indian people--the disproportionate number of young Indian people who are dying. There is no intent to discriminate against or disregard the health care of Indian elders.

TRIBAL CONSULTATION

Question. How did you involve the tribes in the development of the methodology for distributing the Indian Health Care Improvement Fund?

Answer. The RAM was adapted for use with the Health Services Priority System for the distribution of the Indian Health Care Improvement Fund. The RAM was developed over a 2-3 year period with extensive tribal involvement and consultation, culminating in the issuance of the RAM Policy in 1987.

Question. What concerns have the tribes expressed to you on the distribution methodology?

Answer. Tribal comments included concerns regarding: 1) the HSPS methodology developed and used is population driven and that Areas with the largest population derived the greatest percent of the distribution; 2) not enough time was allowed for greater tribal input or endorsement of the new methodology; 3) use of factors, such as health status, where data is not uniformly collected, was considered to be problematic; 4) identifying, reporting and subsequent inclusion of alternate resources in the methodology is viewed as a means of reducing IHS appropriations; 5) data on P.L. 93-638 tribal contracts are not uniformly collected; 6) more current data should be used -- not two year old information; 7) Contract Health Services are not given credit under the RAM method and further, the RAM has become so complex that it has become ineffective and is unevenly applied; and, 8) small tribes and/or isolated communities without hospitals do not fare well under this method.

Question. What are you doing to address the concerns of the tribes?

Answer. In addition to meetings with and solicitation of

comments from tribes and tribal organizations prior to the development of the final HSPS methodology, IHS Planning staff continues to provide information and clarification on resource allocation methodology to tribal representatives who visits Headquarters. In addition, technical assistance workshops are provided to Area office staff and tribal members who want additional understanding of the allocation process. A workshop on resources allocation is proposed for the Annual IHS Consultation Conference scheduled for August 1990 in Minneapolis, Minnesota.

DISTRIBUTION OF FUNDS

Question. Using your methodology, how many sites will receive funds from the Indian Health Care Improvement Fund?

Answer. For the FY 1990 distribution, 61 operating units have received funding.

Question. To what level, as a percent of need, will the $10 million in FY 1990 Indian health Care Improvement Fund raise those sites?

Answer. The $10 million Indian Health Care Improvement Fund in FY 1990 resulted in an overall Level of Need Funded of 62 percent for the IHS. The following (Table VII: Resource Deficiency Estimates) reflects the Level of Need Funded (Column D) for the 61 operating units receiving the $10 million Indian Health Care Improvement Fund.

Table VII: RESOURCE DEFICIENCY ESTIMATES

OPERATING UNIT	RESOURCE DEFICIENCY			HSPS RATINGS			G
	A Additional $ for 100% Funding (TS: E) - (TS: C)	B Additional $ for 80% Funding .8 x (TS: E) - (TS: C)	C Additional $ for 60% Funding .6 x (TS: E) - (TS: C)	D UNF %	E % Deficiency	F HSPS Priority Category	FY 1990 Allocation (C / ΣC) X $10 mil.
ABERDEEN AREA							
RAPID CITY	$6,336,000	$3,317,000	$298,000	58%	42%	3	$60,000
CHEYENNE RIVER	$5,621,000	$3,097,000	$573,000	55%	45%	3	$116,000
FLANDREAU	$42,000	$0	$0	96%	4%	1	$0
FT BERTHOLD	$1,742,000	$696,000	$0	67%	33%	2	$0
FT TOTTEN	$3,319,000	$1,942,000	$566,000	52%	48%	3	$114,000
CROW CREEK (FT THOMP)	$243,000	$0	$0	94%	6%	1	$0
LOWER BRULE	$0	$0	$0	100%	0%	1	$0
PINE RIDGE	$13,462,000	$7,626,000	$1,801,000	54%	46%	3	$363,000
ROSEBUD	$8,107,000	$4,276,000	$442,000	58%	42%	3	$89,000
SISSETON-WAHPETON	$2,731,000	$1,264,000	$0	63%	37%	2	$0
STANDING ROCK	$6,943,000	$4,141,000	$1,340,000	50%	50%	3	$270,000
TURTLE MT	$7,330,000	$4,100,000	$870,000	56%	44%	3	$176,000
WINNEBAGO	$486,000	$0	$0	92%	8%	1	$0
OMAHA	$712,000	$0	$0	82%	18%	1	$0
YANKTON	$1,908,000	$748,000	$0	67%	33%	2	$0
SANTEE	$516,000	$290,000	$44,000	56%	44%	3	$9,000
TRENTON	$1,021,000	$536,000	$61,000	58%	42%	3	$10,000
SAC & FOX	$386,000	$166,000	$0	68%	32%	2	$0
Non-RRM AREA Svs.							
ALASKA AREA							
ANCHORAGE	$16,896,000	$6,896,000	$0	68%	32%	2	$0
KODIAK	$3,133,000	$1,613,000	$483,000	53%	47%	3	$99,000
ANNETTE ISLAND	$2,193,000	$1,270,000	$648,000	47%	53%	3	$110,000
BARROW	$3,943,000	$1,844,000	$0	71%	29%	2	$0
BRISTOL BAY	$2,063,000	$0	$0	85%	15%	1	$0
INTERIOR ALASKA	$10,880,000	$5,608,000	$328,000	59%	41%	3	$68,000
TANANA IRA	$969,000	$367,000	$148,000	47%	53%	3	$29,000
NOTZEBLIE	$4,969,000	$1,702,000	$0	70%	30%	2	$0
MT. MCKINLEY	$11,813,000	$5,996,000	$118,000	60%	40%	3	$24,000
KETCHIKAN	$2,577,000	$1,247,000	$0	61%	39%	2	$0
NORTON SOUND	$6,755,000	$3,010,000	$0	64%	36%	2	$0
YUKON KUSKOKWIM	$14,321,000	$6,706,000	$0	67%	33%	2	$0
Non-RRM AREA Svs.							
ALBUQUERQUE AREA							
AC-CA-LA	$3,674,000	$1,271,000	$0	69%	31%	2	$0
ALBUQUERQUE	$7,814,000	$2,463,000	$0	69%	31%	2	$0
MESCALERO	$2,266,000	$992,000	$0	65%	35%	2	$0
SANTA FE	$6,103,000	$4,054,000	$0	64%	36%	2	$0
SO COLORADO	$1,840,000	$962,000	$0	61%	39%	2	$0
ZUNI	$3,437,000	$887,000	$0	73%	27%	2	$0
Non-RRM AREA Svs.							

Table VII: RESOURCE DEFICIENCY ESTIMATES

OPERATING UNIT	RESOURCE DEFICIENCY			HSPS RATINGS			C
	A	B	C	D	E	F	FY 1990 Allocation
	Additional $ for 100% Funding (T5: E) - (T6: G)	Additional $ for 80% Funding .8 x (T5: E) - (T6: G)	Additional $ for 60% Funding .6 x (T5: E) - (T6: G)	UNF %	% Deficiency	HSPS Priority Category	(C / ΣC) X $10 mil.
BEMIDJI AREA							
BAD RIVER	$771,000	$422,000	$73,000	56%	44%	3	$15,000
BAY MILLS	$228,000	$26,000	$0	77%	23%	2	$0
BOIS FORTE	$734,000	$403,000	$72,000	56%	44%	3	$15,000
FOND DU LAC	$2,082,000	$1,263,000	$445,000	49%	51%	3	$90,000
FOREST CO. POTAWA	$238,000	$128,000	$19,000	57%	43%	3	$4,000
GRAND PORTAGE	$190,000	$88,000	$0	63%	37%	2	$0
GRAND TRAVERSE	$19,000	$0	$0	98%	2%	1	$0
HANNAHVILLE	$173,000	$92,000	$11,000	57%	43%	3	$2,000
GREATER LEECH LAKE	$3,269,000	$1,741,000	$214,000	57%	43%	3	$43,000
KEWEENAW BAY	$557,000	$277,000	$0	60%	40%	2	$0
LAC COURTE OREILLES	$2,024,000	$1,298,000	$574,000	44%	56%	3	$116,000
LAC DU FLAMBEAU	$1,264,000	$643,000	$22,000	59%	41%	3	$5,000
LAC VIEUX DESERT	$87,000	$9,000	$0	78%	22%	2	$0
LOWER SIOUX	$150,000	$76,000	$1,000	60%	40%	3	$0
MENOMINEE	$1,856,000	$937,000	$19,000	60%	40%	3	$4,000
MILLE LACS	$397,000	$141,000	$0	69%	31%	2	$0
ONEIDA	$3,503,000	$2,301,000	$1,099,000	42%	58%	3	$221,000
PRAIRIE ISLAND SIOUX	$114,000	$41,000	$0	69%	31%	2	$0
RED CLIFF	$942,000	$592,000	$243,000	46%	54%	3	$49,000
RED LAKE	$552,000	$0	$0	93%	7%	1	$0
SAGINAW	$688,000	$377,000	$88,000	56%	44%	3	$18,000
SAULT STE. MARIE	$3,442,000	$2,092,000	$742,000	49%	51%	3	$149,000
SHAKOPEE SIOUX	$94,000	$36,000	$0	67%	33%	2	$0
SOKAOGON	$119,000	$45,000	$0	68%	32%	2	$0
ST. CROIX	$315,000	$106,000	$0	70%	30%	2	$0
STOCKBRIDGE-MUNSEE	$933,000	$479,000	$25,000	59%	41%	3	$5,000
UPPER SIOUX	$0	$0	$0	100%	0%	1	$0
WHITE EARTH	$1,898,000	$768,000	$0	66%	34%	2	$0
WISCONSIN-WINNEBAGO	$703,000	$111,000	$0	76%	24%	2	$0
Non-RRM AREA Svs.							
BILLINGS AREA							
BLACKFEET	$6,186,000	$2,504,000	$0	66%	34%	2	$0
CROW	$3,214,000	$575,000	$0	76%	24%	2	$0
FLATHEAD	$1,747,000	$9,000	$0	80%	20%	2	$0
FT BELKNAP	$1,562,000	$304,000	$0	75%	25%	2	$0
FT PECK	$6,186,000	$3,181,000	$195,000	59%	41%	3	$39,000
NO CHEYENNE	$4,271,000	$2,501,000	$731,000	52%	48%	3	$147,000
ROCKY BOYS	$1,530,000	$541,000	$0	69%	31%	2	$0
WIND RIVER	$7,291,000	$3,975,000	$658,000	56%	44%	3	$133,000
Non-RRM AREA Svs.							

Table VII: RESOURCE DEFICIENCY ESTIMATES

OPERATING UNIT	RESOURCE DEFICIENCY			HSPS RATINGS			G
	A Additional $ for 100% Funding (T5: E) - (T6: G)	B Additional $ for 80% Funding .8 x (T5: E) - (T6: G)	C Additional $ for 60% Funding .6 x (T5: E) - (T6: G)	D UNF %	E % Deficiency	F HSPS Priority Category	FY 1990 Allocation (C / ΣC) X $10 mil.
CALIFORNIA AREA							
UNITED IHS	$1,814,000	$812,000	$10,000	60%	40%	3	$2,000
HUPA HEALTH ASSOC	$903,000	$355,000	$0	67%	33%	2	$0
SHASTA-TRINITY	$2,385,000	$1,652,000	$919,000	35%	65%	4	$185,000
CONSOLIDATED	$940,000	$529,000	$118,000	54%	46%	3	$24,000
NORTHERN VALLEY	$2,739,000	$1,717,000	$894,000	46%	54%	3	$140,000
LASSEN	$213,000	$47,000	$0	74%	26%	2	$0
CHAPA DE (AUBURN)	$1,372,000	$882,000	$392,000	44%	56%	3	$79,000
SONOMA COUNTY	$1,313,000	$730,000	$146,000	55%	45%	3	$29,000
TUOLUMNE	$579,000	$242,000	$0	68%	34%	2	$0
CENTRAL VALLEY	$1,586,000	$875,000	$164,000	55%	45%	3	$33,000
TOIYAEE	$819,000	$303,000	$0	70%	30%	2	$0
TULE RIVER	$2,016,000	$1,282,000	$508,000	47%	53%	3	$102,000
SANTA YNEZ	$0	$0	$0	100%	0%	1	$0
RIVERSIDE/SB	$6,061,000	$3,653,000	$1,246,000	50%	50%	3	$251,000
KARUK	$716,000	$350,000	$0	61%	39%	2	$0
PI-MA-PA	$105,000	$0	$0	90%	10%	1	$0
MCCOC	$49,000	$0	$0	87%	13%	1	$0
ROUND VALLEY	$186,000	$0	$0	83%	17%	1	$0
LAKE COUNTY	$352,000	$153,000	$0	65%	35%	2	$0
SOUTHERN HC	$1,280,000	$631,000	$0	61%	39%	2	$0
INDIAN HEALTH COUNCIL	$3,033,000	$1,802,000	$831,000	46%	55%	3	$167,000
Non-RRM AREA Svs.							
NASHVILLE AREA							
CHEROKEE	$4,169,000	$1,471,000	$0	69%	31%	2	$0
CHITIMACHA	$86,000	$0	$0	86%	14%	1	$0
CHOCTAW	$2,663,000	$737,000	$0	72%	28%	2	$0
COUSHATTA LA	$276,000	$107,000	$0	63%	37%	2	$0
ALA COUSHATTA TX	$487,000	$346,000	$195,000	34%	66%	4	$39,000
CREEK	$898,000	$334,000	$0	62%	38%	2	$0
WAMPANOAG	$83,000	$39,000	$0	62%	38%	2	$0
MALISEET	$207,000	$66,000	$0	70%	30%	2	$0
MICCOSUKEE	$0	$0	$0	100%	0%	1	$0
NARRAGANSETT	$438,000	$183,000	$0	66%	34%	2	$0
PASS, IT	$10,000	$0	$0	99%	1%	1	$0
PASS, PP	$126,000	$0	$0	91%	9%	1	$0
PENOBSCOT	$0	$0	$0	100%	0%	1	$0
PEQUOT	$431,000	$272,000	$112,000	46%	54%	3	$23,000
SEMINOLE	$542,000	$0	$0	82%	18%	1	$0
SENECA	$1,697,000	$586,000	$0	69%	31%	2	$0
ST. REGIS	$2,306,000	$1,392,000	$478,000	50%	50%	3	$96,000
TUNICA BILOXI	$118,000	$60,000	$2,000	59%	41%	3	$0
Non-RRM AREA Svs.							

Table VII: RESOURCE DEFICIENCY ESTIMATES

OPERATING UNIT	RESOURCE DEFICIENCY			HSPS RATINGS			G
	A Additional $ for 100% Funding (T5: E) - (T6: G)	B Additional $ for 80% Funding .8 x (T5: E) - (T6: G)	C Additional $ for 60% Funding .6 x (T5: E) - (T6: G)	D UNF %	E % Deficiency	F HSPS Priority Category	FY 1990 Allocation (C / ΣC) X $10 mil.
NAVAJO AREA							
CHINLE	$11,558,000	$5,125,000	$0	64%	36%	2	$0
CROWNPOINT	$8,589,000	$2,682,000	$0	68%	34%	2	$0
FT DEFIANCE	$8,198,000	$2,847,000	$0	69%	31%	2	$0
GALLUP	$17,685,000	$9,481,000	$1,277,000	57%	43%	3	$257,000
KAYENTA	$5,977,000	$3,026,000	$75,000	59%	41%	3	$15,000
SHIPROCK	$15,682,000	$7,928,000	$174,000	60%	40%	3	$35,000
TUBA CITY	$11,197,000	$5,449,000	$0	61%	39%	2	$0
WINSLOW	$4,764,000	$2,381,000	$0	60%	40%	2	$0
Non-RRM AREA Svs.							
OKLAHOMA AREA							
ADA	$5,845,000	$2,508,000	$0	60%	40%	2	$0
CLAREMORE	$18,842,000	$10,432,000	$4,023,000	47%	53%	3	$810,000
CLINTON	$2,871,000	$915,000	$0	70%	30%	2	$0
HASKELL	$844,000	$330,000	$0	67%	33%	2	$0
HOLTON	$294,000	$0	$0	87%	13%	1	$0
LAWTON	$10,140,000	$5,653,000	$1,166,000	56%	45%	3	$236,000
PAWNEE	$2,965,000	$344,000	$0	77%	23%	2	$0
SHAWNEE	$11,450,000	$7,516,000	$3,581,000	42%	58%	3	$721,000
TAHLEQUAH	$9,294,000	$5,161,000	$1,028,000	55%	45%	3	$207,000
WEWOKA	$5,190,000	$3,464,000	$1,738,000	40%	60%	4	$350,000
CHEROKEE	$17,643,000	$11,117,000	$4,581,000	46%	54%	3	$925,000
CHICKASAW	$4,799,000	$3,227,000	$1,655,000	39%	61%	4	$333,000
CHOCTAW	$9,900,000	$6,042,000	$2,185,000	49%	51%	3	$440,000
CREEK	$8,157,000	$5,335,000	$2,513,000	42%	58%	3	$506,000
EAGLE PASS	$204,000	$61,000	$0	72%	28%	2	$0
Non-RRM AREA Svs.							
PHOENIX AREA							
COLORADO RIVER	$835,000	$0	$0	91%	9%	1	$0
FT. YUMA	$435,000	$0	$0	92%	8%	1	$0
KEAMS CANYON	$4,395,000	$2,173,000	$0	60%	40%	2	$0
PHOENIX	$23,804,000	$13,300,000	$2,796,000	55%	45%	3	$563,000
SACATON	$4,884,000	$866,000	$0	75%	25%	2	$0
SAN CARLOS	$8,235,000	$4,949,000	$1,662,000	50%	50%	3	$335,000
WHITERIVER	$3,883,000	$0	$0	80%	20%	1	$0
U & O	$883,000	$0	$0	88%	12%	1	$0
OWYHEE	$948,000	$0	$0	84%	16%	1	$0
SCHURZ	$4,348,000	$1,413,000	$0	70%	30%	2	$0
Non-RRM AREA Svs.							

Table VII: RESOURCE DEFICIENCY ESTIMATES

OPERATING UNIT	RESOURCE DEFICIENCY			HSPS RATINGS			C
	A Additional $ for 100% Funding (TS: E) - (T6: G)	B Additional $ for 80% Funding .8 x (TS: E) - (T6: G)	C Additional $ for 60% Funding .6 x (TS: E) - (T6: G)	D UNF %	E % Deficiency	F HSPS Priority Category	FY 1990 Allocation (C / ΣC) X $10 mil.
PORTLAND AREA							
COLVILLE	$1,567,000	$132,000	$0	78%	22%	2	$0
FORT HALL	$3,026,000	$1,478,000	$0	81%	39%	2	$0
KLAMATH	$1,085,000	$574,000	[illegible],000	58%	42%	3	$13,000
NEAH BAY	$1,089,000	$336,000	$0	71%	29%	2	$0
NORTH IDAHO	$1,963,000	$687,000	$0	69%	31%	2	$0
NW WASH	$344,000	$0	$0	93%	7%	1	$0
PUYALLUP	$2,107,000	$1,019,000	$0	61%	39%	2	$0
PUGET SOUND	$1,641,000	$0	$0	85%	15%	1	$0
TAHOLAH	$821,000	$0	$0	81%	19%	1	$0
UMATILLA	$1,039,000	$305,000	$0	72%	28%	2	$0
WARM SPRINGS	$2,718,000	$1,340,000	$0	61%	39%	2	$0
WELLPINIT	$864,000	$152,000	$0	76%	24%	2	$0
WOREGON	$6,300,000	$3,258,000	$1,216,000	48%	52%	3	$246,000
YAKIMA	$6,680,000	$3,969,000	$1,259,000	51%	49%	3	$254,000
Non-RRM AREA Svs.							
TUCSON AREA							
SELLS	$3,755,000	$74,000	$0	80%	20%	2	$0
YAQUI	$1,814,000	$738,000	$0	66%	34%	2	$0
Non-RRM AREA Svs.							
IHS AREA SUMMARY							
ABERDEEN	60,895,000	32,166,000	5,985,000	60%	40%	2	1,205,000
ALASKA	77,891,000	34,326,000	1,641,000	65%	35%	2	330,000
ALBUQUERQUE	27,366,000	10,569,000	0	67%	33%	2	0
BEMIDJI	27,342,000	14,495,000	3,625,000	61%	39%	2	731,000
BILLINGS	31,987,000	13,592,000	1,564,000	65%	35%	2	315,000
CALIFORNIA	28,361,000	16,126,000	5,027,000	55%	45%	3	1,012,000
NASHVILLE	14,306,000	5,595,000	785,000	70%	30%	2	158,000
NAVAJO	81,658,000	38,919,000	1,526,000	62%	38%	2	307,000
OKLAHOMA	106,038,000	62,405,000	22,480,000	52%	48%	3	4,527,000
PHOENIX	52,030,000	22,701,000	4,458,000	67%	33%	2	898,000
PORTLAND	30,274,000	13,250,000	2,539,000	67%	33%	2	512,000
TUCSON	5,569,000	812,000	0	77%	23%	2	0
Area Exclusions							
National Exclusions							
IHS TOTAL	643,679,000	264,959,000	49,650,000	62%	38%	2	9,999,000

Question. What amount of additional funds would be required to raise all sites to 60 percent of need?

Answer. An additional $50 million would be needed to raise all tribes/operating units to 60 percent Level of Need Funded.

Question. Which regions will receive no funds? Are any sites in those regions below 60 percent of need. If some are, why won't they receive any funds?

Answer. The Areas which did not receive any of the FY 1990 Indian Health Care Improvement funds are Albuquerque, New Mexico, and Tucson, Arizona. All eight operating units located in these two Areas have a 61 percent or above Level of Need Funded. As stated in a previous answer, Section 201 of P.L. 100-713 makes every tribe or service unit eligible to share in the Indian Health Care Improvement Fund as long as they meet the appropriate criteria.

Question. What funds are included in your FY 1991 request for the Indian Health Care Improvement Fund?

Answer. The FY 1991 President's Budget request includes $10,428,000 for the Indian Health Care Improvement fund.

Question. Will you modify your methodology before these funds are distributed? If not, why not? If so, please explain what you will do and how you will involve the tribes.

Answer. The IHS will continue to examine and modify the RAM and Health Services Priority System methodology to meet the health care needs of the Indian people. The IHS policy is to consult with the tribes on issues that affect the tribes.

Question. What amount did you include in your initial request to the Public Health Service for the Indian Health Care Improvement Fund?

Answer. The IHS FY 1991 Preliminary Budget included a request for $19 million for the Indian Health Care Improvement Fund.

NEW FACILITIES PRIORITY LIST

Question. When will you transmit your new facilities priority list to the Committee? What's the holdup?

Answer. In response to the House Appropriations Committee request to prepare a Priority List based on application of the new IHS Priority System Methodology, the Indian Health Service (IHS) initiated an application of its new Health Facilities Construction Priority System Methodology in September 1988. During the application, additional suggestions of merit for modifying the Methodology were presented. Consequently, the IHS initiated further review and re-evaluation of the Methodology. That review is nearing completion, and we anticipate finalizing the new methodology by the summer of 1990. However, the Senate Select Committee on Indian Affairs, in a letter dated June 12, 1989, has asked that the IHS freeze the priority status of all facilities construction projects until the Senate has an opportunity to

explore the issue of health delivery systems in rural areas. Resuming the application and developing a list is dependent on further guidance by the Congress. If the freeze is lifted by this summer, a priority list using the revised Methodology could be available early in calendar year 1992.

Question. What changes will you be making to your formulas for determining facilities priorities?

Answer. During the most recent application of the Priority System Methodology, additional suggestions of merit for modifying it were presented. Consequently, the IHS initiated further review and reevaluation of the Methodology. As a result of that re-evaluation, the IHS is proposing to change the weighting of the variables in the Methodology formula so that population has less impact. Also, the revised priority system will include factors that adjust a proposal's scoring for its isolation, its relative need for additional space, and the age and condition of the existing facility.

FACILITIES CONSTRUCTION

Question. The request for facilities construction is $3,156,000 which provides only for continued construction of the replacement hospital at Pine Ridge, South Dakota. You asked the Public Health Service for $102,822,000 for new and replacement hospitals. How did you end up with only a little over $3 million from you original request of nearly $103 million? What would you have done with the additional $100 million?

Answer. The 1991 Facilities Plan submitted to the Public Health Service included the following requests for hospital construction:

Planning Studies	$ 80,000
Anchorage Medical Center, AK	37,000,000
Pine Ridge Hospital, SD	15,719,000
Kotzebue Hospital, AK	25,548,000
Shiprock Hospital, AZ	24,225,000
Crow Agency Hospital, MT	250,000
ORIGINAL REQUEST FOR HOSPITAL CONSTRUCTION	$102,822,000

Although no funds were requested in the President's FY 1990 budget, the Congress funded a portion of the above projects. In addition, the next phase of some of the projects have been delayed until 1992 pending completion of site acquisition and designs. The revised listing of funds for hospital construction that could be obligated in FY 1991 is:

Planning Studies	$ 200,000
Anchorage Medical Center, AK	1,000,000
Pine Ridge Hospital, SD	16,138,000
Kotzebue Hospital, AK	25,322,000
Belcourt Hospital, MT	18,403,000
HOSPITAL CONSTRUCTION FUNDS	

THAT COULD BE OBLIGATED IN FY 1991.	$ 61,063,000

Question. Will $3,156,000 be enough to complete the Pine Ridge Hospital? If not, how much more is required?

Answer. No, $3,156,000 is not enough to complete the IHS Hospital at Pine Ridge. To coordinate construction with anticipated funding, construction was divided into three phases. The $3,156,000 represent the amount required to complete Phase II construction. The project cost estimate is $27,175,000. To date, $11,037,000 have been appropriated. To complete all remaining construction, $16,138,000, which includes the $3,156,000, is required.

Question. What amount is needed for staff quarters at Pine Ridge? How soon could you obligate that money?

Answer. Current Pine Ridge staff quarters planning documents call for 84 new quarters at an estimated construction cost of $12,457,000. The Office of Inspector General estimated that 46 new quarters will be sufficient at Pine Ridge. In May, the Office of Engineering Services conducted a survey to re-evaluate the staff quarters plan which could reduce the estimated need at Pine Ridge. Based on the outcome of this survey, funds could be obligated in fiscal year 1991.

Question. Why are no funds requested for hospitals other than the relatively small amount for continued construction at Pine Ridge? How big is the need for these hospitals? How many are waiting to be placed on your priority list?

Answer. The Pine Ridge Hospital in North Dakota; the Alaska Native Medical Center in Anchorage, Alaska; the Kotzebue Hospital in Alaska; and the Belcourt Hospital in North Dakota are the only hospitals on the IHS Health Facilities Construction Priority list that the IHS may be prepared to fund in 1991. The funding for hospital construction, other than Pine Ridge, was deferred for budgetary reasons.

During the most recent request for proposals to be considered under the IHS Health Facilities Construction Priority System, the IHS reviewed 23 hospitals for possible inclusion on the inpatient facility priority list. However, some of these did not meet the minimum IHS workload criteria for a new or replacement inpatient facility and cannot be considered as waiting to be placed on the inpatient priority list.

Question. Why are no funds requested for constructing outpatient facilities? What would you have funded with the $33 million in your initial request to the Public Health Service?

Answer. The 1991 Facilities Plan submitted to the Public Health Service included the following requests for outpatient facilities construction:

Wagner	303,000
Fort Belknap	9,495,000

Parker	7,687,000
Sallisaw	4,165,000
Puyallup	8,168,000
Taos	216,000
Pinon	850,000
White Earth	982,000
Montezuma Creek	750,000
Stilwell	428,000
TOTAL OUTPATIENT	$ 33,044,000

Although no funds were requested in the President's FY 1990 budget, the Congress funded five of the above projects in FY 1990. Subsequent to the FY 1991 budget submission, some projects encountered delays which necessitated delaying the funding request to FY 1992.

The proposed funds for the Wagner, SD Health Center were for asbestos abatement in the old facility. These funds will be provided in FY 1990 through reprogramming of excess construction funds. The revised listing of funds for outpatient facilities that could be obligated in FY 1991 is:

Tohatchi	$ 8,735,000
Stilwell	573,000
TOTAL OUTPATIENT FUNDS THAT COULD BE OBLIGATED IN FY 1991.	$ 9,308,000

Question. How many outpatient facilities are waiting to be placed on your priority list?

Answer. During the most recent request for proposals to be considered under the Health Facilities Construction Priority System, the IHS reviewed nearly 100 projects for possible inclusion on the outpatient facility priority list. However, some of the proposed projects did not meet the minimum IHS workload criteria for a new or replacement outpatient facility and cannot be considered as waiting to be placed on the inpatient priority list. Furthermore, there may be facilities requiring renovation or minor additions that were not submitted for consideration by the Area Office knowing that the projects would not make the Health Facilities Construction Priority List.

ALASKA NATIVE MEDICAL CENTER

Question. What were the results of your analysis of alternative methods to finance the construction of the Alaska Native Medical Center in Anchorage?

Answer. Our analysis demonstrated that direct Federal construction under a lump sum appropriation is the lowest cost alternative from a present value standpoint followed by lease purchase, lease purchase with alternative financing, and build to buy, respectively.

Question. What would be the cost of construction via one-time appropriation vs. the cost of a long-term financing arrangement?

Answer. The cost of constructing the medical center via a one-time appropriation is $117,785,000 vs. $124,090,000 for long-term financing based on a present value analysis. However, the total cost for acquiring the facility based on a long-term financing arrangement would be $251,925,000. The total cost of the project to include design, equipment, etc. is $163,585,000 for direct Federal construction and $297,725,000 for long-term financing.

Question. If a long-term financing arrangement were adopted, how soon would you need appropriations to support that arrangement?

Answer. We would need appropriations for long-term financing starting in fiscal year 1993.

Question. What is your recommendation? If you recommended long-term financing, how do you justify treating this facility differently than other facilities on the priority list?

Answer. Acquiring the medical center through long-term financing is a programmatically feasible alternative. However, current GSA facilities financing policies preclude using this type of financing arrangement. The Alaska Native Medical Center is the most costly medical facility that the Indian Health Service (IHS) is proposing to build. In order to finance the project with a single appropriation, it would exceed the IHS average annual facilities construction budget of $30 to $60 million by over $100 million.

KOTZEBUE ALASKA HOSPITAL

Question. What is the status of the design of the Kotzebue hospital?

Answer. The design is now in the construction document stage. The overall design is approximately 75 percent complete and the estimated completion for design is December 1990.

Question. What is the estimate of the cost of construction for the hospital?

Answer. The estimated cost for construction is $42,668,000. This cost includes the new hospital, a new utilidor for the new hospital, demolition of the existing hospital, asbestos abatement for the existing hospital, and oil clean-up of the existing site.

Question. How soon could construction begin? How long will it take to construct this hospital?

Answer. Construction is estimated to begin on March 1991. It will take two years and six months to complete construction.

Question. What amount of funds would be needed for the first year construction costs? Is that the maximum amount that you can obligate? If not, what amount could you obligate and explain the

difference between the two numbers?

Answer. The amount of funds required for first year construction would be $11,000,000 for foundation work. This is not the maximum amount that can be obligated. The amount of funds that could be obligated is $42,668,200. However, we estimate that the contractor could only do approximately $25,000,000 worth of work.

When permafrost conditions are encountered, the desired method of doing foundation work is to set the piles in place during the construction season and allowing them to sit over the winter. The reason for this is to allow the ground around the piles to refreeze before any loads are placed on them. The $11,000,000 would be used for the piles. For the $25,000,000, the contractor could also order and have delivered to the site, the framing steel and building shell material. The material would be stored on site and be available so that construction can begin immediately when the weather permits. Without the additional funds, the contractor would have to wait until the next appropriation was available and might not be able to order the material in time to make the barge shipment. This could potentially delay the project by eight months.

CONFEDERATED TRIBES OF WARM SPRINGS (OREGON)

Question. What were the results of your feasibility study on non-Federal funding of clinics, such as the Warm Springs clinic?

Answer. Most, if not all, tribal proposals to construct health facilities using non-Federal funds require the commitment of additional IHS funding to meet increased staffing, equipment, leasing and operational costs associated with the proposed facilities. While there may be some practical and economic arguments in favor of this approach, the idea merits further investigation to assess fully the short and long-term commitments and costs to the Federal Government.

Additionally, the potential impact of such proposals on the IHS Health Facility Priority System and health care equity funding must be addressed. There is concern that accepting such proposals may lead to a discriminatory funding situation, i.e., the wealthier and more sophisticated tribes would be able to procure new facilities, increased staffing, and rental incomes while poorer tribes that may have a greater need for health services would be entirely dependent on Federal funding.

Question. If such requests were to be funded, how would you suggest these proposals be prioritized?

Answer. The IHS recommends that a new and separate priority system be developed for evaluating proposed construction projects not requiring IHS funding or requiring only matching funding. Such a priority system would be responsive to tribal proposals, and would ensure that projects having the highest relative need and overall feasibility would receive a higher recommendation for funding.

Question. What amount of funding would be needed to support the Warm Springs proposal in FY 1991? What would these funds buy?

Answer. For FY 1991, the Warm Springs Tribes have requested funds for increasing the health center staff by 12 positions and for purchasing one-half of the new equipment needed for the facility. This would require $380,000 in recurring funds for increased staffing, and $570,000 in non-recurring funds for equipment.

Question. What are the outyear costs associated with the proposal?

Answer. According to the Warm Springs proposal, an additional $569,000 (non-recurring) would be required in FY 1992 for equipment purchase. For FY 1992 and the following seven years, approximately $1.1 million per year would be required for recurring staffing and operational costs. From that time forward, recurring funds for leasing would be required in addition to staffing and operational costs.

. Question. Under what conditions do you think IHS should support proposals like the Warm Springs clinic?

Answer. If a tribe submits a joint venture proposal for a health facility which ranks highly enough under the priority system methodology to be placed on the priority list for construction, the IHS would endorse and support the proposal.

NEZ PERCE TRIBE

Question. The Nez Perce Tribe has proposed to arrange financing for a new clinic with the IHS reimbursing the tribe in the form of annual lease payments after the facility is built (similar to the Alaska Medical Center but on a much smaller scale). What have you done to work with the Nez Perce Tribe on their proposal for a new clinic?

Answer. The IHS has been informed verbally that the Nez Perce Tribe is interested in proposing an alternative financing arrangement for a new health center; however, the tribe has neither submitted a written proposal to IHS for evaluation nor approached the IHS for assistance related to the proposed project. Should the tribe need help in developing planning documents or a project proposal, IHS staff is available to provide the requested assistance.

Question. What are the similarities and differences between the Nez Perce proposal and the Warm Springs proposal?

Answer. The Nez Perce Tribe has not submitted a formal proposal for evaluation; however, based on our knowledge of the tribe's intentions, it appears that the similarities include non-Federal financing for design and construction, and the requirement of Federal matching funds for increased staffing, equipment, operation and leasing costs. The obvious difference between the proposals is that the Warm Springs Tribe would provide the facility rent free for a period of eight years while the Nez Perce Tribe proposes to begin collecting lease payments immediately following occupancy of the facility.

CIRCUMVENTING THE FACILITIES PRIORITIES LIST

Question. The Warm Springs and Nez Perce proposals illustrate the frustrations in the Indian communities with "waiting their turn" for inclusion on the IHS priority list for new and replacement facilities construction. Many tribes have testified before this Committee that they don't know when, if ever, their facility will make the list. How many proposals, similar to the Warm Springs and Nez Perce clinic proposals, have you received from other tribes? Please provide details for the record.

Answer. In addition to the Warm Springs Tribe's proposal for a joint-venture project, the IHS is aware that the Choctaw Nation of Oklahoma and the Nez Perce Tribe in Idaho are considering proposing alternative means of financing new health care facilities. We expect that in the future, additional tribes will submit similar proposals if this becomes an accepted avenue for acquiring a new facility. To date, however, only the Warm Springs Tribe has submitted a written proposal to IHS for evaluation. Since the service areas, proposed location of facilities, and proposed programs have not been defined for other projects, it is not possible to accurately determine the details associated with those projects.

Question. How long does it take from the time a facility is put on the priority list until is is built, staffed, and in operation?

Answer. Many factors, including when funds are made available for design and construction and the complexity of the proposed project affect how long it takes to design and construct a facility after it is placed on the priority list. However, the IHS expects that most projects will take between 4 and 7 years to complete after they are placed on the priority list.

Question. How long do Tribes generally wait to get their facility on the (priority) list?

Answer. Facilities are only added to the priority list as projects already on the list are fully funded and thereby removed from the list, creating vacancies for new projects.

The time required for a site to be placed on the priority list is a function of its ranking during the application of the Health Facilities Construction Priority System. The top ranked project or projects are added to the priority list to fill the vacancies.

There is a $520 million backlog of projects currently on the priority list. Based on our recent funding history, it will take 10-12 years to fully fund these 19 inpatient and outpatient facilities projects already on the list.

Question. To what extent could you speed up the process? What initial planning studies could you do for facilities on the priority list so that when funds are available for design and construction you are ready to go?

Answer. In the past, the IHS placed projects on the priority

lists before it had completed the initial planning for these projects. However, under the new Priority System Methodology, the IHS will ensure that much of the basic planning is completed before a project is placed on a priority list. This will speed up the process for completing projects by ensuring that no projects are placed on the priority lists until all of the planning and justification documents are approved and IHS is ready to request funding.

Question. What amount of money would be needed on an average annual basis to do such facilities planning studies?

Answer. We estimate that $200,000 will be required annually to conduct planning studies for projects on the priority lists.

Question. In total, how many new and replacement facilities do you estimate need to be built for Native Americans and Alaskan Natives?

Answer. During the most recent request for proposals to be considered under the Health Facilities Construction Priority System, the IHS reviewed nearly 100 projects for possible inclusion on the outpatient facility priority lists and over 20 projects for possible inclusion on the inpatient facility priority lists. However, approximately 30 percent of the proposed projects did not meet the minimum IHS workload criteria for new or replacement facilities and cannot be considered as waiting to be placed on the priority lists.

Question. How many facilities have you constructed over the past 10 years? How many have construction underway now? Please provide details for the record.

Answer. Below is a list of the inpatient and outpatient projects the IHS has constructed since 1980:

HOSPITALS, HEALTH CENTERS AND PERSONNEL QUARTERS
CONSTRUCTED SINCE FY 1980

	Year Constructed	Total Appropriated
Hospitals:		
Bethel, AK	1980	34,100,000
Ada, OK	1980	14,374,000
Cherokee, NC	1981	10,341,000
Red Lake, MN	1981	9,566,000
Chinle, AZ	1982	19,758,000
Tahlequah, OK	1983	21,334,000
Browning, MT	1985	15,086,000
Kanakanak, AK	1987	16,578,000
Crownpoint, NM	1987	17,734,000
Sacaton, AZ	1988	15,765,000
Rosebud, SD	1989	20,000,000
Subtotal		194,636,000
Health Centers:		
Cibecue, AZ	1980	$750,000
Lodge Grass, MT	1982	1,485,000

Inscription House, AZ	1983	3,890,000	
Ft. Duchesne, UT	1984	2,220,000	
Tsaile, AZ	1984	3,856,000	
Huerfano, NM	1984	3,304,000	
Ft. Thompson, SD	1988	3,449,000	
Subtotal		$18,954,000	
Personnel Quarters:			
Chinle & Inscription House, AZ (Design)	1982	$ 6,000	
Inscription House, AZ (21)	1983	1,764,000	
Chinle, AZ (161)	1983	12,236,000	
Huerfano, NM (9)	1984		1/
Ft. Duchesne, UT (9)	1984		1/
Crownpoint, NM (36)	1985	3,352,000	
Tsaile, AZ (23)	1985	2,141,000	
Ft. Thompson, SD (13)	1986	1,279,000	
Kanakanak, AK (17)	1987	4,133,000	2/
Browning, MT (26)	1987	2,470,000	
Subtotal		$27,711,000	
GRAND TOTAL		$241,301,000	

1/ Funds reprogrammed from Chinle and Inscription House personnel quarters projects.

2/ Funds appropriated to build 26 units but only 17 units built with amount appropriated.

The following facilities are currently under either design or construction:

Facility	Appropriated Funding $000	Funding Still Required $000	Status
Anchorage, AK Hosp	14,000	137,785	Design-Concepts Stage
Wagner, SD Hlth Ctr	4,989	-0-	Design 99% Completed
Pine Ridge, SD Hosp	11,037	16,138	Design 99% Completed
Kotzebue, AK Hosp	5,097	51,202	Design 75% Completed
Shiprock, NM Hosp	3,279	50,396	Design-Concepts Stage
Crow, MT Hosp	1,122	28,475	Design-Concepts Stage
Sallisaw, OK Hlth Ctr	3,919	-0-	A/E Selected
Belcourt, ND Hosp	1,142	18,403	Design-Design Development Stage
Puyallup, WA Hlt Ctr	8,462	-0-	Design-Design Development Stage
Tohatchi, NM Hlth Ctr	581	8,735	Design-Concepts Stage
Toppenish, WA Hlth Ctr	9,362	-0-	Construction 90% Complete
Total	62,990	311,134	

Question. What's a rough cost estimate of what it would cost

to build all of the needed new and replacement facilities?

Answer. During the most recent request for proposals to be considered under the Health Facilities Construction Priority System, the IHS reviewed nearly 100 projects for possible inclusion on the outpatient facility priority lists and over 20 projects for possible inclusion on the inpatient facility priority lists. However, some of the proposed projects did not meet the minimum IHS workload criteria for new or replacement facilities and cannot be considered as waiting to be placed on the inpatient priority lists. Furthermore, there may be facilities requiring renovation or minor additions that were not submitted for consideration by the Area Office knowing that the projects would not make the Health Facilities Construction Priority List.

Assuming that the projects identified roughly approximate the total current need, it would take $1.5 to $2 billion dollars to build the needed facilities.

SMALL FACILITIES AND THE PRIORITY LIST

Question. How does the methodology you use for placing facilities on your priority list accommodate small facilities?

Answer. During the most recent application of the IHS Health Facilities Construction Priority System methodology, one of the major concerns expressed was that the methodology appeared to favor construction of facilities with large workloads. These and other comments led the IHS to suspend the application and review the Priority System again. The revised priority system will include factors that adjust a proposal's scoring for its isolation, its relative need for additional space, and the age and condition of the existing facility.

Question. The Penobscot Nation reported to the Committee that they can't be considered for the list because they provide less than 4,400 primary care visits. They claim they would service more than that number if they had the space. How does the formula provide for this situation?

Answer. The IHS evaluates all proposals for construction under Phase I of the Health Facilities Construction Priority System Methodology. The number of primary care provider visits used in the Priority System is determined by adding the visits occurring at any existing facility at the location, the visits occurring at any nearby IHS facilities, and the visits occurring at nearby private sector facilities. If actual rate of visits per population is less than the IHS lower limit utilization rate (currently 3.5 visits per person per year), then that rate is used to determine the need for construction. Using the lower limit utilization rate assures that locations experiencing a low utilization of IHS services, are considered equitably under the Priority System. The lower limit utilization rate is the average number of visits per year an average population would visit an outpatient facility.
The Priority System was designed to determine the locations with the greatest need for construction so that IHS could target its resources in locations where those resources would most effectively provide services to American Indians and Alaskan Natives. We

believe the best way of assuring that the IHS provides comprehensive health care services to all Indians is to provide direct care services at facilities where it is most feasible to do so and augment these services with private sector services wherever these are required.

Question. What is the IHS assessment of the need for a new facility for the Penobscot Nation?

Answer. Currently a full range of health care services is provided to the Penobscot Nation through a combination of direct and contract health care providers. Direct ambulatory care services are provided on a full-time basis at the tribe's 3,500 square feet facility through a P.L. 93-638 contract with the IHS.

The IHS evaluates the relative priority for facility construction projects by applying the Health Facilities Construction Priority System Methodology. Because no proposal was submitted for consideration during the last application of the Priority System, we have no direct means for comparing the relative need for a facility for the Penobscot Nation withother needs throughout the Indian Health Service.

PERSONNEL QUARTERS

Question. You initially requested $54,536,000 for construction of personnel quarters but no funds made it into the PHS allowance. What personnel quarters projects were included in your initial request?

Answer. The 1991 Facilities Plan submitted to the Public Health Service included the following requests for personnel quarters design and construction:

Kotzebue	$23,200,000
Pine Ridge	14,503,000
Barrow	15,900,000
Belcourt	933,000
TOTAL PERSONNEL QUARTERS	$54,536,000

Although no funds were requested in the President's FY 1990 budget, the Congress funded portions of the above projects in FY 1990. The revised listing of funds for personnel quarters that could be obligated in FY 1991 is:

Pine Ridge Quarters, SD	12,457,000
QUARTERS CONSTRUCTION FUNDS THAT COULD BE OBLIGATED IN FY 1991.	$ 12,457,000

Question. What funding and FTEs would be required for staffing, equipping, and operating these facilities? Please provide details by facility for the record.

Answer.

acility	Construction Funding $000	Additional Staff Required
ıchorage, AK	$137,785	258
ıgner, SD	4,989	24
ne Ridge, SD	27,175	195
tzebue, AK	56,272	88
iprock, NM	53,675	335
. Belknap, MT	11,965	19
rker, AZ	8,430	112 *
. Defiance, AZ	46,055	255
ow, MT	29,597	99
llisaw, OK	3,919	43
lcourt, ND	19,545	130
allup, WA	8,462	43
s, NM	5,837	25
atchi, NM	9,325	78
Yuma, AZ	6,620	-8
Total	429,651	1,696

taffing needs have not been verified.

ROSEBUD SIOUX STAFF QUARTERS

on. How many staff quarters are planned for the Rosebud ive Health Care Facility?

. The original Program Justification Documents for taff quarters are Rosebud, South Dakota, call for ıg staff quarters as follows: Phase I - 51 quarters and 25 quarters. Subsequently, both phases were combined ion to go out for bids on all 76 quarters under one s made. The contract called for constructing 66 th an option for 10 additional quarters.

n. The Tribe has reported to the Committee that IHS is o reprogram monies for 10 of the approved and funded Is that true? If so, please explain.

Yes, the IHS is considering reprogramming monies for pproved and funded quarters.

January of 1989, the Office of the Inspector General ted a review of IHS planning and justifying of new rs construction. The review included new staff ıstruction at Rosebud. The OIG recommended that IHS to reevaluate those housing projects in the advanced initial construction phases and modify or cancel such appropriate. Currently, the IHS is reevaluating the s at Rosebud and is focusing on the following: existing ousing, private housing available in surrounding staff who prefer to continue living in in private though new IHS housing would be available, current IHS pied by locally hired personnel whose positions ıot justify IHS housing and potentially available lian Affairs housing.

new staff quarters need of 76 was based upon staffing

the new Rosebud hospital at 100% of its Resource Requirements Methodology (RRM) allocation. A review of three other new IHS hospitals and one new health center revealed that Congress funded for only approximately 85% of the RRM allocation.

FUNDING REQUIREMENTS FOR FACILITIES PRIORITY LIST

Question. Assuming funds were to be made available beyond those in your current budget request, for which projects would you be ready to obligate funds in FY 1991?

Answer. Below is a list of projects for which the IHS would be ready to obligate funds in FY 1991.

FACILITY	CAN BE OBLIG. IN FY 1991
Planning Studies	$200
Anchorage, AK Hosp.	$1,000
Pine Ridge, SD Hosp	$16,138
Kotzebue, AK Hosp	$25,322
Pine Ridge, SD Qtrs	$12,457
Belcourt, ND Hosp	$18,403
Tohatchi, NM Hlth Ctr	$8,735
Stilwell, OK Hlth Ctr	$573
YPRT Centers (Drug Bill)	$5,200
Total	$88,028

Question. Please provide, for the record, a description of the status of each of the projects on your facilities priority list.

Answer.

Inpatient	Status	Outpatient	Status
Anchorage, AK	Design	Parker, AZ	Planning
Pine Ridge, SD	Design	Belcourt, ND	Design
Kotzebue, AK	Design	Taos, NM	Planning
Shiprock, NM	Design	Tohatchi, NM	Design
Fort Belknap, MT	Planning	Ft. Yuma, AZ	Planning
Fort Defiance, AZ	Planning	Second Mesa, AZ	Planning
Crow, MT	Design	Pinon, AZ	Planning
Winnebago, NB	Planning	White Earth, MN	Planning
Phoenix AZ	Planning	Montezuma Creek, UT	Awaiting Funding
		Stilwell, OK	Awaiting Funding

Staff Quarters		Status
Kotzebue, AK	(50 units)	Design
Pine Ridge, SD	(84 units)	Design
Barrow, AK	(29 units)	Design
Belcourt, ND	(26 units)	Planning

Question. Also provide a year-by-year estimate of funds which could be obligated for each of the projects on your priority list, based solely on readiness to obligate funds rather than on budget limitations. In each case, please specify whether funds are for planning, design, or construction. Please include any explanatory

statements you feel would be helpful to the Committee.

Answer. See following 5-year planned construction budget. NOTE: Since this budget was prepared, project delays have occurred that have changed funding requirements for Youth Primary Regional Treatment (YPRT) Centers, and we expect that the IHS could obligate $1,400,000 in fiscal year (FY) 1991, $3,800,000 in FY 1992, and $2,000,000 in FY 1993 for these YPRT.

Date: 4/13/90

Draft

INDIAN HEALTH SERVICE

FACILITIES FY 1992 PLANNED CONSTRUCTION BUDGET

($000)

Superseding 4/2/90

FACILITY	PRIOR TO FY 1990	FY 1990 APPROPRIATION a/	FY 1990 REPROGRAM	CAN BE OBLIG IN FY 1991	FY 1992 REQUEST b/	FY 1993 PROJECTED	FY 1994 PROJECTED	FY 1995 PROJECTED	TOTAL COST	REMARKS
Planning Studies	$0	$0	$0	$200	$200	$200	$200	$200	$1,000	
Anchorage, AK Hosp. 1/	$14,000	$0	$0	$1,000 25/	$33,727	$47,728	$41,330	$0	$137,785	A/E negotiations
Wagner, SD Hlth Ctr 2/	$4,686	$0	$343 22	$0	$0	$0	$0	$0	$4,989	Design Develop
Pine Ridge, SD Hosp 3/	$11,037	$0	$0	$3,156	$12,982	$0	$0	$0	$27,175	Const. Documents
Kotzebue, AK Hosp 4/	$1,958	$3,112 23	$0	$25,322	$25,880	$0	$0	$0	$56,272	Const. Documents
Shiprock, NM Hosp 5/	$3,279	$0	$0	$0	$24,632	$25,764	$0	$0	$53,675	A/E Awarded
Ft. Belknap, MT Fam. 6/	$1,105	$0	$0	$0	$0	$10,860	$0	$0	$11,965	Project called
Parker, AZ OPD 7/	$743	$0	$0	$0	$0	$7,687	$0	$0	$8,430 *	PID Development
Kotzebue, AK Fam Qtrs 8/	$632	$1,707	$0	$0	$23,085	$0	$0	$0	$25,444 *	A/E selection process
Pine Ridge, SD Qtrs 9/	$571	$908	$0	$12,457	$0	$0	$0	$0	$14,016	Design develop
Barrow, AK Fam Qtrs 10/	$750	$8,901	$0	$0	$7,300	$0	$0	$0	$16,951	A/E selection process
Belcourt, ND Fam Qtrs	$0	$922 24	$0	$0	$3,478	$0	$0	$0	$4,400 *	PSDQ development
Ft. Defiance, AZ Hosp 11/	$2,304	$3	$0	$0	$0	$21,745	$22,106	$0	$46,055 *	PID submitted HQ
Crow, MT Hosp 12/	$873	$247	$0	$0	$0	$14,267	$14,206	$0	$29,587	A/E negotiation process
Stilwater, OK Hlth Ctr 13/	$205	$3,714	$0	$0	$0	$0	$0	$0	$3,919	Land purchase underway
Belcourt, ND Hosp 14/	$1,143	$0	$0	$18,403	$0	$0	$0	$0	$19,545	A/E awarded
Puyallup, WA Hlth Ctr 15/	$392	$8,070	$0	$0	$0	$0	$0	$0	$8,462	Concept Stage
Toon, Mid Hlth Ctr 16/	$30	$213	$0	$0	$0	$5,574	$0	$0	$5,817 *	PSD development
Tohatchi, NM Hlth Ctr 17/	$590	$0	$0	$8,733	$0	$0	$0	$0	$9,323	A/E Awarded
Ft. Yuma, AZ Hlth Ctr 18/	$667	$0	$0	$0	$0	$0	$5,953	$0	$6,620	Site selection
Second Mesa, AZ HC	$0	$642	$0	$0	$0	$0	$0	$8,358	$9,000 *	PID development
Winnebago, NE Hosp	$30	$0	$0	$0	$0	$0	$0	$9,970	$10,000 *	Planning study
Phoenix Indian Med Ctr, AZ	$150	$0	$0	$0	$0	$0	$0	$36,000	$36,150 *	Planning study
Pinon, AZ Hlth Ctr	$30	$840	$0	$0	$0	$0	$0	$11,270	$12,140 *	PID development
White Earth, MN Hlth Ctr	$0	$870	$0	$0	$9,311	$0	$0	$0	$10,281 *	PID development
Montezuma Creek, UT HC	$0	$0	$0	$0	$730	$0	$0	$9,250	$10,000 *	PID development
Stilwell, OK Hlth Ctr	$0	$0	$0	$575	$0	$0	$7,183	$0	$7,736	Site selection
YPRT Classes (Long Bill)	$1,500	$1,500	$0	$5,300	$0	$0	$0	$0	$8,300	
TOTAL	$47,656	$31,926	$303	$75,046	$141,345	$133,825	$90,980	$75,025	$596,009	

a/ Reflects reduction pursuant to P.L. 101-239

b/ Does not include Hospitals - BAI and Energy Packages and Sanitation Facilities which are also part of 1991 request.

1/ Appropriated: $3,000,000 planning—A/E (FY 84), $4,300,000 phase 2 design (FY 87), $5,000,000 site purchase & stemwork (FY 88), $2,500,000 complete design (FY 89)

2/ Appropriated: $360,000 planning (FY 84), $99,000 planning (FY 86), $4,227,000 construction (FY 89)

3/ Appropriated: $1,360,000 planning—A/E (FY 84), $9,677,000 Phase I construction (FY 87)

4/ Appropriated: $1,958,000 planning—A/E (FY 86)

5/ Reprogrammed: $96,000 for feasibility study from completed projects & $8,210 (rescinded) from Browning project (FY 85), Appropriated: $3,175,000 plan & design (FY 87)

6/ Appropriated: $907,000 planning and design (FY 87), $298,000 construction (FY 89)

7/ Reprogrammed: $50,000 for engineering analysis (FY 87), Appropriated: $693,000 planning and design (FY 88)

8/ Appropriated: $632,000 planning and design (FY 88)

9/ Appropriated: $571,000 planning and design (FY 88)

10/ Appropriated: $730,000 planning and design (FY 89)

11/ Appropriated: $2,304,000 planning and design (FY 88)

12/ Reprogrammed: $15,000 Phase II Site Survey (FY 86); Appropriated: $860,000 planning and design (FY 88)

13/ Appropriated: $205,000 planning and design (FY 88) plus requested necessary FY 88 funds be used for site purchase

14/ Appropriated: $1,142,000 planning and design (FY 88)

15/ Appropriated: $392,000 planning and design (FY 88)

16/ Appropriated: $30,000 planning (FY 89)

17/ Reprogrammed $9,300 for Phase II Site Survey (FY 87), $581,000 planning and design (FY 89)

18/ Appropriated: $667,000 planning and design

19/ Appropriated: $30,000 planning (FY 89)

20/ Appropriated: $150,000 planning (FY 89)

21/ Appropriated: $30,000 planning (FY 89)

22/ For asbestos abatement. Funds being obtained from excess construction funds.

23/ Includes extra funds to complete design, permit site acquisition, asbestos & oil removal, & demolition of portion of existing facility

24/ IHS rent/leasing need for quarters.

25/ Complete design and site development

* Preliminary estimate pending completion of final cost estimate by Office of Engineering Services.

** Cost estimate to be completed by Office of Engineering Services on completion of planning study.

*** Additional funds needed but as yet unforeseeable.

SANITATION FACILITIES

Question. How big is the need for sanitation facilities construction?

Answer. The Indian Health Service, in conjunction with Tribal groups, has identified 2,238 sanitation facilities construction projects, at an estimated cost of $572 million, to provide sanitation facilities for American Indian or Alaska Native homes and communities. An additional 375 projects at an estimated cost of $1,142 million have been identified, but are not considered economically feasible at this time; however, acceptable, safe alternatives will be considered for incorporation into the future lists of sanitation facilities.

Question. Given that need, why are no funds requested for sanitation facilities?

Answer. The funding for sanitation facilities for new HUD homes is the responsibility of the Department of Housing and Urban Development. The funding requirements for other new and rehabilitated existing housing has been a lower IHS priority in comparsion to the needs associated with maintaining the delivery of inpatient and outpatient services as well as other high priority preventive health activities.

Question. What would you have done with the $125 million you originally requested of the Public Health Service?

Answer. The initial request of $125 million was itemized as follows:

	Homes Served	No of Housing Units	Amount (1,000)
1.	BIA/HIP	1,000	$9,000
2.	Tribal/Other	2,000	18,000
3.	Existing Indian Homes	6,500	65,000
	Sub total	9,500	92,000
	Other		
4.	Emergency/Special Projects		$1,000
5.	Equipment & Training for establishment and equipping of Operation & Maintenance Organizations.		13,000
6.	Establishment of Regional Solid Waste Collection and Disposal Facilities		19,000
	Grand Total	9,500	$125,000

Question. $10 million of that request made it as far as OMB before being zeroed out. What would you have been able to do with the $10 million?

Answer. Appropriation of $10 million would enable IHS to provide financial and technical assistance to Indian Tribes and communities in the establishment, training, and equipping of utility organizations to operate and maintain Indian sanitation facilities, as authorized in the Indian Health Care Amendments of

1988, [Title III, See 302 (g) (1) and (2)]. It would also provide assistance to tribes in the development of regional solid waste collection and disposal facilities. The training and equipment to assist Indian Tribes develop operation and maintenance capability would help protect the federal investment of the approximately $850 million previously provided for the construction of Indian sanitation facilities.

Question. What projects are currently under construction and would need additional funding to be completed or continued on schedule in FY 1991? Please provide funding requirements by project for the record.

Answer. The projects currently under construction, which have received Indian Health Service funds and would need additional funds to be continued, are as follows:

1.	Navajo "New Lands" Water Supply	$2,750,000
2.	Seneca Nation's Cattaraugus Reservation Water Supply Project	$2,115,000
3.	Chippewa-Cree Tribe of Montana - Rural Water Development Project, Rocky Boys Reservation	$2,600,000

Question. What sanitation projects are currently in the planning or design stage and would be ready for obligation of funds in FY 1991? Please provide project-level details for the record.

Answer. Preliminary engineering work and cost estimates have been accomplished and funds could be obligated for the projects to serve existing homes listed in the following report. In addition, based on prior year requests from the tribes, facilities will be required to serve approximately 3,000 new or improved units of housing at an estimated cost of $42 million. Project specific information for facilities to serve these housing projects is determined subsequent to the receipt of tribal requests. Funds could be obligated within FY 1991 for all of these projects.

EXISTING INDIAN HOMES AND COMMUNITIES
IN FY 1991

PROJECT NAME	COMMUNITY	SERVICES PROVIDED WATER	SEWER	SOL WST	O & M	TOTAL HOMES	PROJECT COST
ABERDEEN							
CHEYENNE RIVER SCATTERED SITES	SIERACH-CO	***	***			50	420,000
STANDING ROCK INDIV FACILITIES	CORSON-CO	***	***			20	180,000
PINE RIDGE SCATTERED	PINE RIDGE	***	***			350	2,370,000
ROSEBUD SCATTERED HOMES	ROSEBUD	***	***			150	980,000
FT BERTHOLD SCATTERED	MOUNTRAIL-CO	***	***			50	480,000
TURTLE MTN SCATTERED-1ST SVC	BOLETTE-CO	***	***			110	350,000
TRENTON SCATTERED SITES	TRENTON	***	***			35	340,000
CROW CREEK SCATTERED HOMES	CROW CREEK	***	***	***	***	369	1,040,000
LOWER BRULE SCATTERED	LOWER BRULE	***	***		***	248	360,000
FT. TOTTEN SCATTERED SITES	FORT TOTTEN	***	***			40	480,000
RED SCAFFOLD INDIV H20 & SWR	RED SCAFFOLD	***	***			5	45,000
CANNONBALL INDIV FACILITIES	CANNON BALL	***	***			8	77,000
LAPLANT INDIV WATER & SEWER	LAPLANT	***	***			6	63,000
ALBUQUERQUE							
YSLETA DEL SUR	EL PASO	***	***			6	65,000
SAN FELIPE PUEBLO	SAN FELIPE		***			243	398,600
SOUTHERN UTE COMM WAS SYS	IGNACIO			***		175	100,000
ACOMA SKYCITY	ACOMA		***			20	182,000
SANTA CLARA	SANTA CLARA	***	***			33	57,250
SANTO DOMINGO PUEBLO	SANT DOMINGO		***			315	790,000
SANTA CLARA	SANTA CLARA			***		415	300,000
SAN ILDEFONSO PUEBLO	S ILDEFONSO	***	***	***		207	215,000
POJOAQUE PUEBLO	POJOAQUE			***	***	59	74,500
ACOMA WATER SYSTEM	ACOMITA	***				382	30,000
SAN FELIPE PUEBLO	SAN FELIPE			***	***	323	202,000
SAN ILDEFONSO PUEBLO	S ILDEFONSO			***	***	207	251,500
ANCHORAGE							
HOME water and sewer	HOME	***	***			40	1,200,000
KOTUK water supply/treatment	KOTUK	***			***	70	350,000
KOTLIK water	KOTLIK	***				62	2,980,000
ALASKA SCATTERED HOUSES PARTIAL	ALASKA UNK	***	***			10	250,000
ARCTIC VILLAGE washeteria rehab	ARCTIC VILL	***			***	47	490,000
KOTLIK sewer	KOTLIK		***			62	3,148,750
SHISHMAREF water treatment	SHISHMAREF	***			***	112	669,000
SAVOONGA washeteria	SAVOONGA	***	***			90	600,000
RUBY solid waste	RUBY			***		55	500,000
BEMIDJI							
STOCKBRIDGE SCATTERED SITES	STOCKBRIDGE	***	***			5	40,000
WHITE EARTH SCATTERED	BECKER-CO	***	***			5	42,500
MT PLEASANT INDIV SCATTD	MT PLEASANT	***	***			1	13,000
LEECH LAKE SCATTERED	CASS-CO	***	***			4	47,000
ONEIDA SCATTERED SITES	ONEIDA	***	***			3	21,000
BAY MILLS SOLID WASTE	BAY MILLS			***		70	25,000

EXISTING INDIAN HOMES AND COMMUNITIES
IN FY 1991

PROJECT NAME	COMMUNITY	SERVICES PROVIDED WATER	SEWER	SOL WST	O & M	TOTAL HOMES	PROJECT COST
BEMIDJI							
HANNAHVILLE SOLID WASTE	WILSON			***		51	25,000
BAY MILLS SCATTERED SITES	BAY MILLS	***	***			1	18,000
SAULT STE MARIE SCATTERED SITES	SAULT ST.MAR	***	***			1	18,000
KEWEENAW BAY SCATTERED SITES	BARAGA-CO	***	***			5	37,000
MENOMINEE SCATTERED SITES	MENOMINEE-CO	***	***			2	12,000
ONEIDA SCATTERED SITES	ONEIDA'		***			11	88,000
FOREST COUNTY SOLID WASTE	FOREST-CO			***		85	15,000
RED LAKE SCATTERED	BELTRAMI-CO	***	***			1	6,500
LEECH LAKE SOLID WASTE	CASS-CO			***		300	163,000
GRAND PORTAGE SCATTERED	COOK-CO		***			3	15,000
MT PLEASANT INDIV SCATTD	MT PLEASANT'	***	***			6	30,000
BILLINGS							
ARAPAHOE	ARAPAHOE		***			469	306,900
WHITE COW CANYON	HAYC	***				58	69,000
LAKE DEER	LAKE DEER		***			463	100,000
BROWNING	BROWNING		***			1290	300,000
WOODCOCK	WOODCOCK	***				35	7,500
POPLAR	POPLAR	***				769	120,000
FORT WASHAKIE	FT WASHAKIE		***			160	13,200
CALIFORNIA							
KLAMATH GLEN BLACK POA		***	***		***	12	137,000
YUROK RES - WRITCHPEC	HOOPA EXTENS	***			***	40	160,000
ROARING CREEK RANCHERIA	ROARING CRE	***	***	***	***	5	96,000
TULE RIVER RESERVATION	TULE RIVER	***	***	***	***	151	342,000
ANNOH COMMUNITY SYSTEM	TRINITY-CO	***		***	***	10	90,000
FT BIDWELL RESERVATION	FT.BIDWELL	***	***		***	34	57,000
KAROK - POKES OF SALMON		***			***	10	190,000
STEPHEN MORANDA POA	KERN-CO	***	***	***	***	9	132,000
YUROK RES. - UPPER PECWAN	HOOPA EXTENS	***			***	5	103,000
DEL NORTE CNTY SCATTERED	DEL NORTE-CO	***	***		***	17	245,000
TEHAMA CNTY SCATTERED		***	***			6	85,000
HUMBOLDT CNTY SCATTERED	HUMBOLDT-CO	***	***		***	20	410,000
MADERA CNTY SCATTERED		***	***			17	161,000
TRINITY CNTY SCATTERED		***	***		***	24	440,000
NAVAJO							
ALAMO APACHITO SPRINGS	ALAMO	***	***			9	132,000
Tsegi Kayenta West (Phase I)	KAYENTA-ARIZ	***	***			46	756,000
CANADO SOUTH PHASE V	WIDE RUINS	***	***			62	1,200,000
RANAH/PINEHILL	RANAH	***	***			17	144,000
OJO ENCINO-PUEBLO PINTADO	PUEB.PINTADO	***	***			100	1,500,000
Shonto Junction	COW SPRINGS	***	***			21	395,000
CANADO SOUTH PHASE VI	WIDE RUINS	***	***			100	950,000
ROUND ROCK PHASE III	ROUND ROCK	***	***			117	706,000
Standing Horse Mesa	DILKON	***	***			14	196,000

EXISTING INDIAN HOMES AND COMMUNITIES
IN FY 1991

PROJECT NAME	COMMUNITY	SERVICES PROVIDED WATER	SEWER	SOL WST	O & M	TOTAL HOMES	PROJECT COST
OKLAHOMA							
OTTAWA COUNTY	OTTAWA-CO	***	***			36	234,000
CHEROKEE COUNTY	CHEROKEE-CO	***	***			34	158,000
POTTAWATOMIE COUNTY	POTTAWATOMIE	***	***			5	50,000
CLEVELAND COUNTY	CLEVELAND-CO	***	***			31	217,000
HANNON TOWN	HANNON	***	***			85	190,000
MAYES COUNTY	MAYES-CO	***	***			59	273,000
WYNONA CITY	WYNONA	***				57	27,000
SEQUOYAH COUNTY	SEQUOYAH-CO	***	***			20	140,000
PRUE TOWN WATER SYSTEM	PRUE	***				31	26,000
COLBERT TOWN	COLBERT		***			8	50,000
COMANCHE COUNTY	COMANCHE-CO	***	***			31	180,000
EAST OKLAHOMA COUNTY	OKLAHOMA-CO	***	***			5	87,000
OSAGE COUNTY	OSAGE-CO	***	***			40	245,000
PUSHMATAHA CO RND #2	ANTLERS	***	***			65	62,000
DELAWARE COUNTY	DELAWARE-CO	***	***			15	135,000
SEQUOYAH COUNTY	SEQUOYAH-CO	***	***			20	140,000
BUFFALO VALLEY RND #2	TALIHINA	***	***			36	70,000
ADAIR COUNTY	ADAIR-CO	***	***			24	192,000
CRAIG COUNTY	CRAIG-CO	***	***			11	68,000
PHOENIX							
WASHOE-D'VILLE-SEWER-1	DRESSLERVILL		***			50	364,000
SUPAI VILLAGE	SUPAI		***			98	225,000
CARRISO WATER SOURCE	CARRISO	***				34	159,000
CULTURAL CENTER LAGOON	KEAMS CANYON		***			25	418,000
U&O BENCH AREA SEWER	UINTAH-CO		***			50	1,071,000
CHEMEHUEVI	CHEM VALLEY	***				85	150,000
DUCK VALLEY-OWYHEE SEWER-2	OWYHEE		***			64	192,000
WASHOE-D'VILLE SEWER-2	DRESSLERVILL		***			48	360,000
MCHARY SOURCE	MCHARY	***				90	64,000
CHEMEHUEVI HOMESITE 1 & 2	CHEM VALLEY		***			22	35,000
PORTLAND							
STILLAGUAMISH SEWER SYSTEM			***			30	380,000
FT. HALL SCAT. GRNDWTR CONTAM.	FT HALL TWNS	***				30	10,000
WESTERN OREGON SCATTERED	OREGON UNK	***	***			10	100,000
TAHOLAH WATER SOURCE CAPACITY	TAHOLAH	***				230	1,000,000
YAKIMA TRIBAL WATER SYSTEM	YAKIMA CITY	***				50	150,000
SPOKANE/WELLPINIT WATER SYSTEM	WELLPINIT	***				84	600,000
MUCKLESHOOT CONN. WATER SYSTE.	MUCKLESHOOT	***				7	100,000
TUCSON							
PISINIMO WATER	PISINIMO	***				88	683,000

EXISTING INDIAN HOMES AND COMMUNITIES
IN FY 1991

PROJECT NAME	COMMUNITY	SERVICES PROVIDED WATER	SEWER	SOL WST	O & M	TOTAL HOMES	PROJECT COST
NAVAJO							
TSAYATOH SOUTHWEST	TSAYA	***	***			21	275,000
RITTENROCK EXTENSION	RED ROCK	***	***			23	415,800
Coyote Wash	TEESTOH	***	***			11	154,000
EXTENSION SW OF ROCK POINT	ROCK POINT	***	***			43	758,000
ADOBE COMMUNITY	FARMINGTON	***	***			24	360,000
MEXICAN SPRINGS SCATTERED	MEXICAN SPGS	***	***			45	362,000
Scattered Water Service Lines	CHILCHINBITO	***	***			15	116,000
PINEDALE SCATTERED	PINEDALE	***	***			70	537,000
SMITH LAKE SCATTERED	SMITH LAKE	***	***			44	348,000
Scattered Water Servicelines	KAYENTA-ARIZ	***	***			17	67,000
LUPTON SCATTERED	LUPTON	***	***			37	234,000
LUPTON SOUTH SCATTERED	LUPTON	***	***			3	22,000
Cedar Ridge off Gap Systen	BODAWAY	***	***			10	50,000
NASCHITTI SCATTERED	NASCHITTI	***	***			30	242,000
Scattered Water Servicelines	INSCRIPT RSE	***	***			4	30,000
RED ROCK - SCATTERED HOMES	RED ROCK	***	***			11	75,000
BREAD SPRINGS SCATTERED	BREAD SPRGS	***	***			10	70,000
HOUCK CHAPTER - SCATTERED HOMES	HOUCK	***	***			5	34,000
MARIANO LAKE SCATTERED	MARIANO LAKE	***	***			28	216,000
STANDING ROCK SCATTERED	STANDIN''ROC	***	***			30	250,000
BASS LAKE SCATTERED	COYOTE CNYN	***	***			2	14,000
COYOTE CANYON SCATTERED	COYOTE CNYN	***	***			18	134,000
ROUGH ROCK SCATTERED	ROUGH ROCK	***	***			17	131,000
IYANBITO SCATTERED	IYANBITO	***	***			41	485,000
TWO GREY HILLS PHASE III	2 GREY HILLS	***	***			70	990,000
DISTRICT 4 EXT. SE PINON PH.2	PINON	***	***			25	343,000
COVE PHASE I	COVE	***	***			13	180,000
ROCK SPRINGS WATER SYSTEM	ROCK SPRINGS	***	***			64	836,000
WHEATFIELDS SE EXTENSION	WHEATFIELDS	***	***			50	1,000,000
Whirlwind Rock Extensions	INSCRIPT RSE	***	***			33	487,000
CANADO NORTH PHASE 7	WOOD SPRINGS	***	***			47	622,000
Flat Mesa	TEESTOH	***	***			21	294,000
NASHVILLE							
MICC-OUTLYING CAMPS	MICCOSUKEE	***	***		***	18	110,000
PASP-TREATMENT PLANT (PHASE 1)	PLEASANT PT		***			185	1,750,000
OKLAHOMA							
MARLAND TOWN	MARLAND	***	***			35	66,800
MAUD CITY	MAUD	***				90	125,000
ADAIR COUNTY	ADAIR-CO	***	***			25	200,000
RED ROCK TOWN WATER SYSTEM	REDROCK	***				70	50,000
CHERRY TREE RWD #1 SEWER	STILWELL		***			64	150,000
CLARITA OLNEY WATER INC	CLARITA	***				35	79,000
HASKELL CO WATER COMPANY	HASKELL-CO	***				400	65,000
RED ROCK TOWN WASTEWATER SYSTEM	REDROCK		***			70	52,400
PITTSBURG CO RWD #7 HAYWOOD	HAYWOOD	***				24	102,000
CHEROKEE COUNTY	CHEROKEE-CO	***	***			20	140,000

Question. What do you estimate it would cost to bring all Indian and Alaska Native locations up to a minimum requirement for safe and sanitary water supply?

Answer. The Indian Health Service has identified projects with an estimated cost of $572 million to provide sanitation facilities for American Indian and Alaska native homes and communities. Of this amount, approximately $314 million is for water supply facilities. An additional $586 million for water supply facilities has been identified, mostly for the provision of piped water facilities for approximately 2-5 percent of the American Indian and Alaska Native homes and communities. Provision of these additional facilities is not currently considered economically feasible.

SOLID WASTE DISPOSAL

Question. What's your estimate of solid waste disposal facility requirements for all Indian and Alaska Native locations?

Answer. The current IHS estimate is approximately $167 million for solid waste collection and disposal facilities which includes $130 million for locations in Alaska. Of this $167 million, approximately $101 million is identified in projects which are not currently economically feasible. This estimate may change significantly following issuance of new EPA guidelines (anticipated in May 1990) for solid waste disposal facilities and more detailed investigations and analyses of solid waste needs resulting from an increased awareness of the importance of adequate facilities.

Question. What percent of the sanitation facilities budget is devoted to solid waste facilities? Is that enough?

Answer. Since 1959, the Congress has appropriated more than $870 million to the IHS through fiscal year (FY) 1990 for provision of sanitation facilities. A relatively small percentage of the $870 million (approximately $30 million) has been spent by the IHS on the development of solid waste collection and disposal facilities because of a higher public health priority on water supply and sewage disposal. Sanitation facilities (water, sewer and solid waste) for Indian homes and communities are currently being provided in general accordance with the deficiency levels of Title III of the Indian Health Care Amendments of 1988. Within these deficiency levels, priority for funding is determined in large part by health impact and the potential for reducing health care costs by prevention of disease as stated in subsection 302(a)(3) of the Indian Health Care Amendments. Based on these health considerations, projects to provide water supply and sewage disposal facilities generally have higher priority for IHS sanitation facilities construction funds than solid waste disposal facilities. Consequently, projects for solid waste facilities have received an appropriate share of funds.

Question. Please explain the court decision in the "Blue Legs" case involving the Oglala Sioux Tribe.

Answer. On the Pine Ridge Reservation, the Oglala Sioux Tribe maintains fourteen garbage dumps, every one of which violates the

open dumping prohibition of Section 4005(a) of the Resource Conservation and Recovery Act (RCRA) and the Tribe's own garbage disposal ordinance. The Bureau of Indian Affairs (BIA) and/or the Indian Health Service (IHS) maintain schools, homes, and health facilities on the Reservation which all generate solid waste.

In the lawsuit, filed in June 1985, residents of the Pine Ridge Reservation sued the Environmental Protection Agency (EPA), the BIA, the IHS and the Oglala Sioux Tribe, seeking to have the defendants ordered to clean up the solid waste dumps on the Reservation.

The Eighth Circuit Court of Appeals determined that IHS and BIA were in violation of compliance with the RCRA, had not met their trust responsibilities to the Tribe, and were obliged to participate in compliance efforts under the Snyder Act. Solid waste from BIA and IHS facilities was being disposed, mostly by contracts with the tribal utility organization, in open dumps on the Pine Ridge Reservation.

On February 5, 1990 the U.S. District Court, in South Dakota, ordered the IHS, the BIA and the Oglala Sioux Tribe to implement a solid waste management plan for the Pine Ridge Reservation. The court did not limit the IHS' responsibilities to immediate cleanup of the 3 dumps to which the IHS contributed in violation of RCRA's open dumping provision, but rather relied on the Snyder Act and the trust responsibility to order the BIA, the IHS and the tribe to clean-up all 14 dumps on the reservation with BIA paying 50 percent, IHS 25 percent, and the Tribe 25 percent, of the clean-up costs.

Question. Is IHS appealing the Blue Legs decision? If not, why not? If so, what is the substance of your appeal?

Answer. The IHS recommended appeal of the District Court's Order dated February 5, 1990 to the United States Court of Appeals for the Eighth Circuit to clarify the IHS' responsibility under RCRA, the IHS' responsibility under its general authorizing legislation to provide sanitation facilities to Indian homes and communities, and whose responsibility it is to bring the landfills back into compliance if they are not operated properly. The IHS accepts its responsibility to comply with RCRA in the operation of its health facilities in Indian country. However, the IHS believes the court erred in ordering the BIA and the IHS to immediately fund implementation of a solid waste management plan for all the dumps on the reservation. To the extent the Court's Order reaches dumps to which the agencies did not contribute, the Court's Order places the IHS in the position of having to bring the Pine Ridge tribal dump sites into compliance with RCRA at the expense of other projects which Congress has determined have a higher health priority. In the IHS' view, the Court has substituted its judgment for that of the Congress and the Executive Branch. If this decision is allowed to stand and others follow, priorities may be established by the District Courts, with or without input from the Tribes. The current method of establishing priorities has been developed jointly by the Tribes and IHS and is based on consideration of long term preventive health benefits. These priorities have been developed in accordance with direction from

the Legislative and Executive Branches through Public Law 100-713.

At this time, it appears that the Department of Justice will not support the IHS Appeal recommendation based on their judgment that the immediate impact of the decision is insufficient to justify a review by the Supreme Court.

Question. What funds are needed in FY 1991 to comply with the Blue Legs decision?

Answer. IHS has not finalized a strategy for complying with the Blue Legs decision. Current plans are to bring all IHS facilities located in Indian country into compliance with the courts interpretation of RCRA. This will require that IHS generated solid waste be disposed at sites which comply with EPA guidelines or have a state operating permit. Implementation is scheduled for FY 1991, and the preliminary estimate is $8.5 million for construction and $2.5 million per year for annual operating costs. These estimates do not include the anticipated impact of new, more stringent criteria for landfills being proposed by EPA.

Question. What does the Blue Legs decision mean potentially for IHS facilities nationwide?

Answer. The Blue Legs decision does not clearly define IHS responsibility for environmental compliance of facilities located in Indian country, and litigation or Congressional action will be required to clarify the IHS responsibilities. The various interpretations of the Blue Legs decision range from the broad interpretation of an entitlement of Indian Tribes for the Federal Government to ensure that all facilities located in Indian country (Federal and Tribal) are constructed, operated, and maintained in accordance with applicable environmental regulations (water, wastewater, solid waste etc.). A much narrower interpretation is that all federal facilities located on Indian reservations must comply with applicable environmental regulations, specifically with the new interpretation of RCRA compliance for federal facilities located on Indian Reservations.

Confirmation of the broad interpretation through litigation or Congressional action, and compliance, would require hundreds of millions of dollars for capital construction plus an estimated $50 million to $100 million annually for operation and maintenance. If the narrower interpretation prevails, IHS has estimated that it will require $8.5 million for construction and an additional $2.5 million in annual operating costs for federal facilities to comply with the Court's interpretation of RCRA compliance. The vagueness of the intent under this case will tend to cause confusion and require that the decision-making process be more centralized to assure consistency.

COMMITTEE DIRECTION ON SANITATION FACILITIES

Question. What has been done to identify the requirements and begin to address the sanitation problems of the Oglala Sioux and Passamaquoddy Tribes?

Answer. Indian Health Service and the tribes have identified

the following sanitation facility requirements for the respective tribes:

PROJECT NAME	COMMUNITY	SERVICES PROVIDED: WATER	SEWER	SOL WST	O & M	TOTAL HOMES	PROJECT COST
Oglala Sioux							
PINE RIDGE SCATTERED	PINE RIDGE	***	***			350	2,370,000
CALICO RURAL WATER SYSTEM	CALICO	***				38	400,000
OGLALA WATER SYSTEM	OGLALA	***	***			70	620,000
CALICO WATER & SEWER FACILITIES	CALICO	***	***			15	190,000
PINE RIDGE WATER & SEWER	PINE RIDGE	***	***			695	1,695,000
EVERGREEN WTR & SEWER/DHUD	PORCUPINE	***	***			65	130,000
KYLE WATER & SEWER SYSTEM	KYLE	***	***			159	370,000
WANBLEE WATER & SEWER SYSTEM	WANBLEE	***	***			152	546,000
RED SHIRT WTR & SEWER / DHUD	RED SHIRT TA	***	***			15	150,000
ALLEN WATER & SEWER SYSTEM	ALLEN	***	***			40	132,000
MANDERSON WATER & SEWER	MANDERSON	***	***			161	290,000
MARTIN SEWER SYSTEM-DHUD	MARTIN		***			48	85,000
PINE RIDGE O&M/SOLID WASTE	PINE RIDGE			***	***	999	1,765,000
PORCUPINE WATER & SEWER SYSTEM	PORCUPINE	***	***			40	320,000
POTATO CREEK WATER & SEWER DHUD	POTATO CREEK	***	***			15	130,000
SHARPS CORNER WATER SYSTEM	ROCKYFORD	***				18	40,000
WAKPAMNI WATER SYSTEM UPGRADE	WAKPAMNI LK	***				15	60,000
WOLF CREEK WATER SYSTEM	WOLF CREEK	***				10	35,000
WOUNDED KNEE WATER & SEWER	WOUNDED KNEE	***	***			95	75,000
					TOTAL:		9,403,000
Passamaquoddy							
PASP-TREATMENT PLANT (PHASE 1)	PLEASANT PT		***			185	1,750,000
PASP-TREATMENT PLANT (PHASE 2)	PLEASANT PT		***			185	100,000
PASP-INFLOW/INFILTRATION REPAIR	PLEASANT PT		***			185	280,000
PASP-TREATMENT PLANT (PHASE 3)	PLEASANT PT		***			185	75,000
PASP-SOLID WASTE STUDY	PERRY			***		185	20,000
PASI-SOLID WASTE STUDY	PETER DANA P			***		177	20,000
PASI-LANDFILL ABANDONMENT	PETER DANA P			***		177	100,000
PASI-DANA PT. WATER TANK REPL.	PETER DANA P	***				55	250,000
PASI-EXISTING HOMES	WASHINGTON-C	***	***			14	148,000
PASI-AC WATER MAIN REPLACEMENT	PETER DANA P	***		***		55	80,000
PASI-SAVAGE CAMP WELL CONN.	THE STRIP	***				135	50,000
PASI-SPRAY IRRIGATION (PHASE 2)	THE STRIP		***			55	1,200,000
PASI-SPRAY IRRIGATION (PHASE 3)	THE STRIP		***			177	2,900,000
PASI-STRIP CHAMBER ABANDONMENT	THE STRIP		***			40	40,000
PASP-AC WATER MAIN REPLACEMENT	PLEASANT PT	***			***	185	253,900
					TOTAL:		7,266,900

Question. Please provide details for the record, including the total estimated requirements and the amount of funds which will be devoted to each of these projects in FY 1990.

Answer. The total estimated sanitation facility requirements for existing homes for the Oglala Sioux Tribe and the Passamaquoddy Tribe are as follows:

Oglala Sioux	Total Cost $9,403,000
Passamaquoddy	Total Cost $7,266,900

Oglala Sioux Tribe

For the Oglala Sioux Tribe on the Pine Ridge Reservation the following activities are in progress:

1. A project to provide individual water supply and waste disposal facilities for scattered existing homes was funded for $310,000 in FY 1989 and is currently in progress.

2. Under a project to provide sanitation facilities for new and/or renovated housing, a contract for $240,000 was awarded to the Tribe to perform construction of these facilities.

3. During FY 1990 a project was initiated and funded for $73,000 to correct solid waste disposal practices in accordance with the court order issued under the "Blue Legs" case.

Passamaquoddy Tribe

In FY 1990, technical assistance has been provided to the Passamaquoddy Tribe for the purpose of identifying their requirements and enhancing their opportunity to obtain funds from all possible sources to address their sanitation facility goals. Currently, the Indian Health Service (IHS) is working closely with the Tribe to pursue both State and EPA funding for a large wastewater treatment project. In addition, the IHS presently is recruiting for an engineer to be stationed in Maine to enable IHS to provide better, more timely services.

FACILITIES REPAIR

Question. How much did you spend on facilities repairs and improvements in FY 1989? What do you expect to fund in FY 1990?

Answer. In FY 1989, 5 repair and improvement projects totaling $5.3 million were funded. In FY 1990, we expect to fund 13 repair and improvement projects totaling $10 million.

Question. Why do you estimate you will only need $10 million for repair and improvement projects in FY 1991?

Answer. The current request of $10 million will fund approximately 13 of the highest priority repair and improvement projects. Funds currently received for repair and improvement in the facilities account, together with maintenance and repair funds,

are primarily used to maintain the current condition of the facilities and are not sufficient to reduce the backlog of identified deficiencies.

The National Research Council estimates that between 2 and 4 percent of the replacement value of a building is needed each year to maintain its current condition. This means that $20 to $40 million is needed each year by IHS to preserve the status quo. With the large number of tribal facilities now starting to be included in the inventory of facilities evaluated for deficiencies, the backlog is expected to increase.

Question. Your initial budget request of the Public Health Service was $72,540,000. What did that estimate assume? By contrast what will the current request of $10 million buy?

Answer. The initial budget request of the Public Health Service was for an estimated 111 repair and improvement projects at Federal and tribal facilities throughout the United States. This would reduce the backlog of identified deficiencies to near the recommended maintenance level.

The current request of $10 million will fund approximately 13 of the highest priority repair and improvement projects. Funds received for repair and improvement in the facilities account, together with maintenance and repair funds, are primarily used to maintain the condition of the facilities and are not sufficient to reduce the backlog of identified deficiencies.

COMPLYING WITH ENVIRONMENTAL REGULATIONS

Questions. What percent of Indian Health Service (IHS) facilities meet environmental regulations for solid waste disposal?

Answer. Approximately 39 percent of IHS facilities meet environmental regulations for solid waste disposal. The remaining IHS facilities (61 percent) not in compliance with solid waste disposal regulations, only 13 percent of these facilities dispose their solid waste in reservations and/or trust lands. The remaining IHS facilities (47 percent) dispose of their waste on public/private landfills outside the reservation.

Question. What would it cost to bring all your facilities into compliance with environmental regulations?

Answer. To bring our facilities into compliance with environmental regulations would require transporting the solid waste at the non-compliance facilities to the nearest complying public/private landfills nearest the reservation. The cost required is $2,589,000 which includes $873,000 which we are currently expending in disposing of our solid waste. In addition, a one time capital cost of $8,100,000 is needed for incinerators/dumpsters which will allow us to transport the solid waste and for upgrading landfills at various locations. The vast majority of this capital cost is for purchase and installation of incinerators at 170 villages in Alaska. The cost to upgrade existing non-complying landfills on the reservations to avoid the increased cost of transportation is not known at this time.

Question. What funds are included in your FY 1991 request for this effort?

Answer. There are no funds included in our FY 1991 request for this effort as the budget cycle for FY 1991 was completed when we were made aware of the Blue Legs decision in the 8th Circuit Court. We are proposing to include in our FY 1992 budget request funding to ensure compliance with the Resource Recovery and Conservation Act.

Question. If additional funding were provided in FY 1991 to what extent could you bring your facilities into compliance in that year?

Answer. If adequate funding were provided in FY 1991 we could bring 100 percent of the facilities into compliance by the end of the fiscal year.

FY 1990 AIDS FUNDING

Question. Last year $992,000 in funding for AIDS programs was appropriated for IHS in the Health and Human Services appropriation. Has IHS received these funds from the Public Health Service? If not, when do you expect to receive them?

Answer. The IHS has received $978,000 from the Public Health Service which represents the FY 1989 level of resource, $14,000 for sequestration.

Question. How will these funds be distributed by the IHS?

Answer. The funds will be distributed in the following manner:

Prevention/Education	$341,000
Patient Care	$292,000
Urban Health Programs	$345,000

Question. When will they be distributed and what specific programs will they support?

Answer. Some funds will be allocated to the IHS Clinical Support for the overall coordination and administration of the AIDS program including such activities as health care worker training while the majority of funds will be allocated to the IHS Areas to support their respective reservation based and urban Indian AIDS programs. This will include programs involving prevention/education and patient care.

Question. How are you coordinating your AIDS program with the tribes?

Answer. The IHS has designated National, Area and local Service Unit AIDS Coordinators to work with tribes at all these levels to promote cooperation and to develop appropriate AIDS preventive programs by tribal groups.

Question. How will your AIDS projects take advantage of the community-based resources of the Tribes?

Answer. The key element in prevention of HIV or any other behavioral-related health problem is the fostering of community acknowledgment and ownership of the issue. The IHS has asked its AIDS Coordinators at the local level to develop community-based AIDS coalitions with representation from school, religious and civil groups, as well as from elected and traditional leadership. All IHS activities at the local level are in partnership and conjunction with these coalitions or alliances when they exist locally.

FY 1991 BUDGET REQUEST FOR AIDS

The FY 1991 request for AIDS funding is $1,013,000 ($663,000 in the hospital and health clinic program and $350,000 in the urban health program).

Your initial request for AIDS funding, which was supported by the Public Health Service, was $2,249,000.

Question. How extensive is the AIDS virus in the Indian community? At what rate is it increasing?

Answer. From 1981 until March of 1990, 168 cases of AIDS in Native Americans have been reported to the Centers of Disease Control from states. Over half of these individuals have already died. 63 new AIDS cases were reported in the past calendar year and this represents 36% of total Native Americans AIDS cases and is over a two-fold proportional increase compared to any other ethnic group in the country over the same interval. It further represents twice as many AIDS cases as in the previous 12 month period for Native Americans. Additionally, the IHS and Tribal reporting facilities have encountered 94 HIV-infected individuals who have not developed sufficient illness to be classified AIDS and have not therefore been reported to CDC.

Question. What AIDS treatment and prevention programs will be funded in FY 1991 at the requested level?

Answer. The IHS will primarily use treatment funds to ensure access to and availability of HIV-related drugs for HIV-infected individuals. Treatment monies not spent on drugs will be used to pay for contract and direct health services for HIV-infected Native Americans.

Prevention dollars will be used for educational programs directed at general Native American populations, as well as, targeted groups including women, youth, individuals with sexually transmitted disease, individuals abusing alcohol and other substances and IHS and tribal health care workers. As much as possible the funding will be disbursed at the tribal or urban Native American community level.

Question. What additional projects would you have funded at the $2,249,000 level?

Answer. Additional funding would go for prevention activities. More and larger grants to Native Americans community-based AIDS coalitions. Expanded training of IHS

personnel as HIV counselor/educators with greater emphasis on screening for HIV-related risk behavior and testing of individuals with these behavior in a voluntary confidential manner, as well as enhance voluntary partner notification for contacts of HIV-infected individuals. Some monies would also be used to purchase employee protection materials and fund further training in Universal Precautions for IHS health care workers.

Question. What would you have done with the $500,000 for training on AIDS prevention that was included in your initial request for preventive health? (IHS) priority rank 33)

Answer. This funding would have been utilized primarily to train IHS and tribal community members as both HIV counselors and educators. Screening, counseling, testing and contact tracing would be enhanced in Women's clinics, STD clinics, alcohol/substance abuse programs and tuberculosis clinics. Additional funding would also be available for local tribal or urban community-based AIDS organizations/coalitions.

HOOPA HEALTH CARE FACILITY

Question. What have you done to help the Hoopa Tribe in California develop a plan for a community health care facility?

Answer. On February 13, 1990, the Indian Health Service (IHS) approved $42,200 of Tribal Management Grant Program funds to the Hoopa Tribe of California to conduct a feasibility study for a community health care facility. This feasibility study report has been drafted and is under review by the Tribe. Although an interim report prepared at the end of February 1990 to Congress from the IHS approves $60,000 of IHS research and evaluation funds for the feasibility study, no portion of the $60,000 will be expended until a complete review of the initial report has been conducted by the IHS.

Question. Why did you approve only $60,000 of the $124,000 requirement identified by the California Area Office to develop a plan for this facility?

Answer. Typically, studies of this scope do not require expenditures at the $100,000 level. IHS analyzed the budget and determined that the study could be conducted at the $60,000 amount.

Question. When will a report addressing the feasibility and cost of constructing a Hoopa health care facility be submitted to the Committee?

Answer. The initial report of the activities conducted by the Tribe has been drafted and is under review by the Tribe. If the report is approved by the IHS and contains all information necessary to satisfactorily answer the question of feasibility, IHS expects to meet the July 30, 1990 deadline contained in the interim report submitted to Congress in February.

WELLNESS CENTERS

Question. How many Wellness Centers does Indian Health Service

(IHS) support?

Answer. The IHS fully funds only one Wellness Center which is configured to meet the broad needs of the community it serves. That facility is located in Zuni, New Mexico. At least 10 other facilities are partially funded by IHS. These centers were all developed primarily through tribal initiative and community support. There are a number of Wellness Center activities in tribal communities that operate without IHS funding.

Question. Should you be doing more?

Answer. The success of the existing Wellness Centers has largely occurred without significant IHS funding. In fact, it would appear that the acceptance of Wellness activities increases greatly when the initiative arises from within the community. It is the view of IHS that continued developments in this activity will require a supportive, but not directive role for IHS. The IHS can be of great assistance and in-kind staff support. Current acute care demands often preclude this assistance.

Question. How many requests have you received to build and staff Wellness Centers?

Answer. One proposal has come through the facilities construction pathway and numerous requests for staff funding have come through the grants process or requests for Headquarters special assistance.

Question. What does such a center typically cost to construct? What is the cost of operation?

Answer. Based on our evaluation, community based models appear to offer the most benefits at the least cost. Such a center would typically consist of an exercise/aerobics room, shower facilities, weight/equipment room, 1 or more classrooms, plus office space. Staffing would consist of an exercise specialist, and health educator and/or nutritionist, with medical backup on call.

Typical cost of such a center would be $250-350,000 including equipment. Typical annual operating costs would be $200-250,000 per year.

LAC COURTE OREILLES TRIBE

Question. Is the Lac Courte Oreilles Tribe in Wisconsin still funded below the average level for the Bemidji Area? If so, by how much?

Answer. Yes. Based on the Health Services Priority System Report, submitted to the Congress on May 4 for submission to the Congress, the Level of Need Funded for the Lac Courte Oreilles Tribe was 44 percent as compared to 61 percent for the Bemidji Area average.

Question. To what extent is this type of problem addressed in your FY 1991 budget request?

Answer. The FY 1991 President's Budget contains an increase of $22.6 million to address the needs in contract support costs. Since the Lac Courte Oreilles Tribe operates their program under a contract with IHS, they will be eligible to share in this fund. Any increase of resources from this fund will increase their level of need funded, thereby having a positive effect on their program.

SAGE MEMORIAL HOSPITAL

Question. What are you doing to work with Sage Memorial Hospital in Arizona to ensure continued contract care services?

Answer. A one year waiver of the Indian Health Service (IHS) payment policy was granted to Sage Memorial Hospital (SMH) during fiscal year (FY) 1988 and the current fixed-rate, fee for service, billed charges contract was developed and finalized. The IHS payment policy, according to the June 30, 1986, Federal Register Notice, is that, "...The IHS will contract only with those hospitals,...which agree to accept, as payment in full, reimbursement at rates no higher than the prevailing Medicare allowable rates (including deductibles and co-payments)." On March 12, 1990, during a meeting with Mr. Hamblen, the Director of the IHS granted a continuation of the present waiver with the understanding that IHS would review the policy every 3 or 4 years. At the current utilization rate it is projected that approximately $3.85 million will be authorized for payment to Sage Memorial Hospital during the current fiscal year (FY).

The IHS managers will continue to work with Sage Memorial Hospital in Arizona to provide for ongoing contract care services in this area.

Question. In testimony before the Committee last month, we heard that the IHS payment process is creating an extreme administrative burden on Sage Memorial Hospital. What can be done to ease this problem? To What extent are you working with the people at Sage Memorial Hospital to help solve the problem?

Answer. The Indian Health Service (IHS) provides Sage Memorial Hospital (SMH) approximately 95 percent of all its business. While SMH is a sole provider in the community, the IHS is SMH's only customer. As a result, previous to the implementation of the fiscal intermediary (FI), Blue Cross and Blue Shield of New Mexico, the IHS issued a single blanket purchase order (BPO) to SMH, and SMH then billed against the BPO periodically. Approximately 80 percent of the service provided by SMH is outpatient visits (50,000 opv). Under the present IHS payment policy, SMH must submit a claim to the FI once the IHS has issued a medical purchase order to SMH for each episode of care rendered. This is requiring SMH to provide much more documentation than was required in the past to ensure the validity of the claims. Claims for payment have been pended at the IHS' FI, because this documentation has not been provided by SMH in a timely manner. The SMH can reduce the amount of claims that are pended by the FI by submitting the required data on each individual claim. The IHS is enhancing its ability to process documents in a timely manner by adding staff to reduce workload backlogs, and also has implemented some streamlined claims processing procedures that will benefit SMH. On April 26, the IHS

instructed the FI to provide SMH a one time advance of one million dollars against SMH's accounts receivables from the IHS. This is a customary practice under Medicare's payment policy. This is also similar to the way that SMH was accustomed to dealing with the IHS. On May 2, 1990, the FI issued a check to SMH in the amount of one million dollars to permit SMH more time to phase into the IHS payment methodology.

Question. Are other contract care providers experiencing the same problem? If so which ones and how are you working with them?

Answer. No other providers are experiencing the same problem. The Indian Health Service's fiscal intermediary, Blue Cross and Blue Shield of New Mexico, pays 84 percent of all clean claims within 21 days.

MID-DAKOTA HOSPITAL

Question. On page 49 of your budget you state you have an arrangement on contract care at Mid-Dakota Hospital that is acceptable to the tribes in the area. However, the President of Mid-Dakota submitted testimony to the Committee last month requesting a reinstatement of their old contract with IHS. How do you explain this difference of opinion?

Answer. The Crow Creek Sioux Tribe and the Lower Brule Sioux Tribe are in favor of the current, prospective payment contract because it will benefit all federally recognized Indians in and around Chamberlain, South Dakota. While the current contract reduces the Federal outlay to the Mid-Dakota Hospital (MDH), the resultant "savings" are used to provide additional care, and allows the Indian Health Service (IHS) physicians to refer patients to other hospitals such as the St. Mary Hospital, Pierre, South Dakota; or Weskota Hospital, Wessington Springs, South Dakota.

The current, prospective payment contract with MDH complies with the June 30, 1986 Federal Register Notice which states that:

> The IHS will contract only with those hospitals, ... which agree to accept, as payment in full, reimbursement at rates no higher than the prevailing Medicare allowable rates (including deductibles and co-payments).

It is desirable to have a contract with the MDH to reimburse the hospital for medical care provided to Native Americans. The current prospective payment contract, which is in accordance with the reimbursement policy of the IHS, will provide medical care in a more cost effective manner. Any savings resulting from the new contract will be expended to purchase additional services for Indian patients. The former, fixed price contract was not in the best interest of the IHS and its beneficiaries because care was not being provided in the most cost effective manner.

The current contract was effective March 1, 1989. Since the current contract has been in effect the average cost per month during FY 89 dropped from $122,971 to $72,329, which amounts to an annual savings to the Government of over $600,000 in one small rural hospital.

Question. What is the IHS position on patient eligibility? How has it changed from the old contract?

Answer. The current regulations provide for a number of criteria including membership and enrollment in a tribe to be used to demonstrate that a person is an Indian. The test of eligibility is a political issue not a racial issue. Descendants and members of tribes, both in the United States and other countries, who do not have a political relationship with the United States are not and have not been eligible for the basic Indian Health Service (IHS) programs. It should also be noted that there are tribes with a Federal relationship that straddle the international borders. Therefore, U.S. citizenship is not a prerequisite to eligibility.

Under the terms of the current contract, Mid-Dakota Hospital (MDH) is to operate in the same manner as all other hospitals that contract with the IHS. The staff of the MDH must obtain prior authorization for non-emergency care and must notify an appropriate IHS contract health service (CHS) authorizing official within 72 hours after emergency care has been initiated. In addition, the IHS checks to ensure that all other CHS criteria have been met before authorizing payment. Some of these criteria include: being within IHS medical priorities; assuring eligibility for contract health services; and the use of alternate resources when available.

Question. How have the provisions for long term nursing care changed under the new contract?

Answer. The provisions for long term nursing care have not changed under the new contract with Mid-Dakota Hospital (MDH). Under the new contract with MDH, the Indian Health Service will pay for skilled nursing home services as defined by Medicare regulations.

Question. What are you doing to address the hospital's concern that take-home medications are unavailable for patients treated and discharged when the IHS pharmacy is not open? How big a problem is this?

Answer. The Indian Health Service (IHS) issues medical purchase orders to local pharmacies to fill after hour and weekend prescription medication needs that Indian patients have, which include discharged patients from Mid-Dakota Hospital.

STAFFING OF NEW FACILITIES

Question. Your budget request to the Public Health Service included nearly $7 million and 165 FTE's more than the current request for staffing and operations at Fort Hall, Fort Thompson, Wolf Point, Sacaton, Rosebud, Kyle, and Toppenish. (IHS priority rankings 14 and 15). What are the differences between your original request and the request currently before the Committee?

Answer. The original FY 1991 budget request was based on the FY 1990 President's Budget and did not account for those funds received in the FY 1990 appropriation for staffing and operating costs of the health facilities. The FY 1991 original

request in some cases, has been reduced from 100 percent to 85 percent of the projected staffing requirements.

Question. Please provide details for the record.

Answer. The differences between the IHS original request and the request currently before the Committee are presented in the following tables:

LOCATION: Ft Hall, ID

SUB-SUB ACTIVITY	FY 1991 IHS Original Request To PHS		FY 1990 Appropriation Oct. 23, 1989 (IHS Allocation)		Differences		FY 1991 President's Budget Request	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Hospitals and Health Clinics	27	$1,085	0	$0	27	$1,085	26	$1,044
Dental Health	5	210	0	0	5	210	5	210
Mental Health	2	103	0	0	2	103	1	52
Total Clinical Services	34	1,398	0	0	34	1,398	32	1,306
Sanitation	0	0	0	0	0	0	0	0
Public Health Nursing	2	87	0	0	2	87	1	44
Health Education	0	0	0	0	0	0	0	0
Total Preventive Health	2	87	0	0	2	87	1	44
Grand Total	36	$1,485 1/	0	$0	36	$1,485	33	$1,350 2/

1/ The IHS original request would have staffed the Ft. Hall health center at approximately 85 percent of the projected staffing requirements.

2/ The Ft. Hall health center is scheduled to open October 1990. The President's Budget request will staff the health center at approximately 81 percent of the projected staffing level as determined by the IHS Resource Requirement Methodology (RRM) projections.

LOCATION: Ft. Thompson, SD

SUB-SUB ACTIVITY	FY 1991 IHS Original Request To PHS		FY 1990 Appropriation Oct. 23, 1989 (IHS Allocation)		Differences		FY 1991 President's Budget Request	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Hospitals and Health Clinics	4	$163	4	$147	0	$16	0	$0
Dental Health	1	42	1	41	0	1	0	0
Mental Health	0	0	0	0	0	0	0	0
Total Clinical Services	5	205	5	188	0	17	0	0
Sanitation	1	51	1	46	0	5	0	0
Public Health Nursing	1	45	1	45	0	0	0	0
Health Education	0	0	0	0	0	0	0	0
Total Preventive Health	2	96	2	91	0	5	0	0
Grand Total	7	$301 1/	7	$279 2/	-0	$22	0	$0

1/ The IHS original request was prepared before the FY 1990 appropriation was finalized and included resources to staff the Ft. Thompson health center at 100 percent of the projected staffing level of 44 FTEs as determined by the IHS Resource Requirement Methodology (RRM) projections.

2/ The FY 1990 appropriation was reduced by the Sequester Order, P.L. 101-239, and will staff the health center at 100 percent of the projected staffing level of 44 FTEs.

LOCATION: Kyle, SD

SUB-SUB ACTIVITY	FY 1991 IHS Original Request To PHS		FY 1990 Appropriation Oct. 23, 1989 (IHS Allocation)		Differences		FY 1991 President's Budget Request	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Hospitals and Health Clinics	8	$326	0	$0	8	$326	3	$122
Dental Health	1	42	0	0	1	42	0	0
Mental Health	2	104	0	0	2	104	2	104
Total Clinical Services	11	$472	0	$0	11	$472	5	226
Sanitation	0	0	0	0	0	0	0	0
Public Health Nursing	4	177	0	0	4	177	3	133
Health Education	1	46	0	0	1	46	1	46
Total Preventive Health	5	223	0	0	5	223	4	179
Grand Total	16	$695 1/	0	$0 2/	16	$695	9	$405 3/

1/ The FY 1991 original request was based on the FY 1990 President's Budget request which included the funds for the annualization costs of 26 FTEs. The original request included the resources to staff the Kyle health center at 100 percent of its projected staffing level of 47 FTEs as determined by the IHS Resource Requirement Methodology (RRM) projections.

2/ The FY 1990 President's Budget request included the annualization costs for 26 FTEs to staff the Kyle health center at approximately 66 percent of the projected staffing level of 47 FTEs. The FY 1990 annualization costs for the new staff includes a reduction of funds pursuant to Sequester Order, P.L. 101-239.

3/ The FY 1991 President's Budget request included the resources to staff the Kyle health center at approximately 85 percent of the projected staffing level of 47 FTEs.

LOCATION: Rosebud, SD

SUB-SUB ACTIVITY	FY 1991 IHS Original Request To PHS		FY 1990 Appropriation Oct. 23, 1989 (IHS Allocation)		Differences		FY 1991 President's Budget Request	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Hospitals and Health Clinics	31	$1,260	0	$0	31	$1,260	0	$0
Dental Health	3	128	0	0	3	128	0	0
Mental Health	1	53	0	0	1	53	0	0
Total Clinical Services	35	1,441	0	0	35	1,441	0	0
Sanitation	1	51	0	0	1	51	0	0
Public Health Nursing	4	177	0	0	4	177	0	0
Health Education	1	46	0	0	1	46	0	0
Total Preventive Health	6	274	0	0	6	274	0	0
Grand Total	41	$1,715 1/	0	$0 2/	41	$1,715	0	$0

1/ The FY 1991 original request was based on the FY 1990 President's Budget request which included annualization costs for 90 FTEs. The FY 1991 original request of 41 FTEs included the resources to staff the hospital at 100 percent off the projected staffing level as determined by the IHS Resource Requirement Methodology (RRM) projections. The original staffing projection did not include resources or FTEs necessary for the operation of the planned surgery unit.

2/ The FY 1990 President's Budget request included the annualization costs for 90 FTEs to staff the Rosebud hospital at approximately 84 percent of the projected staffing level of 254 FTEs. The FY 1990 annualization costs for the new staff includes a reduction of funds pursuant to Sequester Order, P.L. 101-239. This level does not include FTEs for the planned surgery unit.

LOCATION: Sacaton, AZ

SUB-SUB ACTIVITY	FY 1991 IHS Original Request To PHS		FY 1990 Appropriation Oct. 23, 1989 (IHS Allocation)		Differences		FY 1991 President's Budget Request	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Hospitals and Health Clinics	25	$986	25	$895	0	$91	0	$0
Dental Health	2	82	2	81	0	1	0	0
Mental Health	1	51	1	46	0	5	0	0
Total Clinical Services	28	1,119	28	1,022	0	97	0	0
Sanitation	1	50	1	45	0	5	0	0
Public Health Nursing	2	86	2	84	0	2	0	0
Health Education	0	0	0	0	0	0	0	0
Total Preventive Health	3	136	3	129	0	7	0	0
Grand Total	31	$1,255 1/	31	$1,151 2/	0	$104	0	$0

1/ The IHS original request was prepared before the FY 1990 appropriation was finalized and included resources to staff the Sacaton hospital at 100 percent of the projected staffing level of 204 FTEs as determined by the IHS Resource Requirement Methodology (RRM) projections.

2/ The FY 1990 appropriation was reduced by the Sequester Order, P.L. 101-239, and will staff the Sacaton hospital at 100 percent of the projected staffing level of 204 FTEs.

LOCATION: Toppenish, WA

SUB-SUB ACTIVITY	FY 1991 IHS Original Request To PHS		FY 1990 Appropriation Oct. 23, 1989 (IHS Allocation)		Differences		FY 1991 President's Budget Request	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Hospitals and Health Clinics	29	$1,164	5	$183	24	$981	24	$964
Dental Health	12	506	2	83	10	423	10	421
Mental Health	4	205	1	47	3	158	3	155
Total Clinical Services	45	1,875	8	313	37	1,562	37	1,540
Sanitation	2	100	0	8	2	92	1	42
Public Health Nursing	4	175	1	44	3	131	3	131
Health Education	1	46	0	8	1	38	1	38
Total Preventive Health	7	321	1	60	6	261	5	211
Grand Total	52	$2,196 1/	9	$373 2/	43	$1,823	42	$1,751 3/

1/ The IHS original request was prepared before the FY 1990 appropriation was finalized and included resources to staff the Toppenish health center at approximatey 86 percent of its projected staffing level of 106 FTEs a determined by the IHS Resource Requirement Methodology (RRM) projections.

2/ The FY 1990 appropriation was reduced by the Sequester Order, P.L. 101-239. The FY 1990 appropriation will staff the health center at approximately 45 percent of the projected staffing level of 106 FTEs.

3/ The FY 1991 President's Budget request included the annualized resources to staff the Toppenish health center at approximately 85 percent based on the FY 1990 appropriation of funds for 9 FTEs.

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LOCATION: Wolf Point, MT

SUB-SUB ACTIVITY	FY 1991 IHS Original Request To PHS		FY 1990 Appropriation Oct. 23, 1989 (IHS Allocation)		Differences		FY 1991 President's Budget Request	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Hospitals and Health Clinics	18	$707	14	$501	4	$206	4	$162
Dental Health	1	41	0	0	1	41	0	0
Mental Health	1	51	1	36	0	15	0	12
Total Clinical Services	20	799	15	537	5	262	4	174
Sanitation	1	50	1	35	0	15	0	12
Public Health Nursing	2	85	2	63	0	22	0	21
Health Education	1	45	1	31	0	14	0	11
Total Preventive Health	4	180	4	129	0	51	0	44
Grand Total	24	$979 1/	19	$666 2/	5	$313	4	$218 3/

1/ The IHS original request was prepared before the FY 1990 appropriation was finalized and included resources to staff the Wolf Point health center at approximately 89 percent of the projected staffing level of 39 FTEs as determined by the IHS Resource Requirement Methodology (RRM) projections.

2/ The FY 1990 appropriation was reduced by the Sequester Order, P.L. 101-239.

3/ The FY 1991 President's budget requested included the resources for the annualizaton of 4 FTEs based on FY 1990 appropriation of funds for 19 FTEs. This level of funding provides the resources to staff the health center at approximately 87 percent of the projected staffing requirements of 39 FTEs.

Question. At what level are new facilities staffed as compared with staffing at older facilities?

Answer. Staffing for new or replacement facilities is requested at a level of 85 percent for the first year of operation. After the first year, the staffing is requested at a level of 100 percent. However, due to funding restraints, very few new/replacement facilities are funded at a 100 percent staffing level.

In general, the staffing level for existing facilities is lower than that of new/replacement facilities.

Question. What is the rationale for staffing older facilities at a lower level than new facilities?

Answer. The IHS does not consider the staffing of older facilities to be less important than staffing of newly constructed facilities. For instance, for the past several years in formulating the initial preliminary budgets, the IHS has consistently requested resources to meet the unmet needs of our hospitals and clinics. This need includes the staffing and operating requirements for the older facilities. When appropriate, these budgets also contain requests to support the staffing and operating cost of newly constructed facilities. It is the opinion of IHS that the payoff, in the form of health care services, from the investment of large sums of money involved in the construction of health facilities including the cost of modern up-to-date equipment should not be diminished by not providing the resources required to fully operate these facilities for which they were planned, designed, and constructed. For this reason, the staffing of newly constructed facilities has historically been made a higher priority than for older facilities.

Question. What plan do you have for equalizing the staffing levels (as a percent of need) at older and new facilities?

Answer. The IHS will continue to request funds to support the staffing needs of the health facilities. As appropriate, funds received by IHS that are available for this purpose will be allocated utilizing the Resource Allocation Methodology directing the resources to those locations most deficient and resulting in a more equitable level of staffing among the facilities.

Question. How does your FY 1991 budget address this issue?

Answer. The FY 1990 appropriation included approximately $10 million for the Indian Health Care Improvement Fund to direct funds at those locations most deficient in resources according to the IHS Health Services Priority System. The FY 1991 budget request includes the funds appropriated in FY 1990 for the Indian Health Care Improvement Fund as part of the Area's recurring base.

Question. What additional amount would you need to staff older facilities at the same level as new facilities?

Answer. The Health Services Priority System Report, which was

signed by the Secretary on May 4 for submission to the Congress, includes the most current information available on funding requirements by service unit and/or tribe. The following information represents the funding required to bring all service units and/or tribes to 60 percent, 80 percent, and 100 percent based on FY 1990 dollars.

Following is a Resource Deficiency Estimate Table:

HSPS April 18, 1990

Table VII: RESOURCE DEFICIENCY ESTIMATES

OPERATING UNIT	RESOURCE DEFICIENCY			HSPS RATINGS			C
	A Additional $ for 100% Funding (T5: E) - (T6: G)	B Additional $ for 80% Funding .8 x (T5: E) - (T6: G)	C Additional $ for 60% Funding .6 x (T5: E) - (T6: G)	D UNF %	E % Deficiency	F HSPS Priority Category	FY 1990 Allocation (C / ΣC) X $10 mil.
ABERDEEN AREA							
RAPID CITY	$6,336,000	$3,317,000	$298,000	58%	42%	3	$80,000
CHEYENNE RIVER	$5,621,000	$3,097,000	$573,000	56%	45%	3	$115,000
FLANDREAU	$42,000	$0	$0	96%	4%	1	$0
FT BERTHOLD	$1,742,000	$665,000	$0	67%	33%	2	$0
FT TOTTEN	$3,319,000	$1,942,000	$566,000	52%	48%	3	$114,000
CROW CREEK (FT THOMP)	$243,000	$0	$0	94%	6%	1	$0
LOWER BRULE	$0	$0	$0	100%	0%	1	$0
PINE RIDGE	$13,452,000	$7,626,000	$1,801,000	54%	46%	3	$363,000
ROSEBUD	$8,107,000	$4,275,000	$442,000	58%	42%	3	$89,000
SISSETON-WAHPETON	$2,731,000	$1,254,000	$0	63%	37%	2	$0
STANDING ROCK	$6,943,000	$4,141,000	$1,340,000	50%	50%	3	$270,000
TURTLE MT	$7,330,000	$4,100,000	$870,000	55%	45%	3	$175,000
WINNEBAGO	$485,000	$0	$0	92%	8%	1	$0
OMAHA	$712,000	$0	$0	82%	18%	1	$0
YANKTON	$1,908,000	$746,000	$0	67%	33%	2	$0
SANTEE	$515,000	$280,000	$44,000	56%	44%	3	$9,000
TRENTON	$1,021,000	$536,000	$51,000	58%	42%	3	$10,000
SAC & FOX	$386,000	$166,000	$0	65%	35%	2	$0
Non-RRM AREA Svs.							
ALASKA AREA							
ANCHORAGE	$15,595,000	$6,595,000	$0	65%	35%	2	$0
KODIAK	$3,133,000	$1,813,000	$493,000	53%	47%	3	$99,000
ANNETTE ISLAND	$2,193,000	$1,370,000	$546,000	47%	53%	3	$110,000
BARROW	$3,243,000	$1,044,000	$0	71%	29%	2	$0
BRISTOL BAY	$2,063,000	$0	$0	85%	15%	1	$0
INTERIOR ALASKA	$10,660,000	$5,509,000	$338,000	59%	41%	3	$68,000
TANANA IRA	$589,000	$367,000	$146,000	47%	53%	3	$29,000
KOTZEBUE	$4,969,000	$1,702,000	$0	70%	30%	2	$0
MT. EDGECUMBE	$11,813,000	$5,966,000	$118,000	60%	40%	3	$24,000
KETCHIKAN	$2,577,000	$1,247,000	$0	61%	39%	2	$0
NORTON SOUND	$6,705,000	$3,010,000	$0	54%	36%	2	$0
YUKON KUSKOKWIM	$14,321,000	$5,705,000	$0	67%	33%	2	$0
Non-RRM AREA Svs.							
ALBUQUERQUE AREA							
A.C-CA-LA	$3,674,000	$1,271,000	$0	69%	31%	2	$0
ALBUQUERQUE	$7,014,000	$2,463,000	$0	69%	31%	2	$0
MESCALERO	$2,266,000	$992,000	$0	65%	35%	2	$0
SANTA FE	$9,103,000	$4,054,000	$0	64%	36%	2	$0
SO COLORADO	$1,840,000	$892,000	$0	61%	39%	2	$0
ZUNI	$3,437,000	$897,000	$0	73%	27%	2	$0
Non-RRM AREA Svs.							

Table VII: RESOURCE DEFICIENCY ESTIMATES

OPERATING UNIT	RESOURCE DEFICIENCY			HSPS RATINGS			G
	A Additional $ for 100% Funding (T5: E) - (T6: G)	B Additional $ for 80% Funding .8 x (T5: E) - (T6: G)	C Additional $ for 60% Funding .6 x (T5: E) - (T6: G)	D UNF %	E % Defic-iency	F HSPS Priority Category	FY 1990 Allocation (C / ΣC) X $10 mil.
BEMIDJI AREA							
BAD RIVER	$771,000	$422,000	$73,000	56%	44%	3	$15,000
BAY MILLS	$228,000	$28,000	$0	77%	23%	2	$0
BOIS FORTE	$734,000	$403,000	$72,000	56%	44%	3	$15,000
FOND DU LAC	$2,082,000	$1,263,000	$445,000	49%	51%	3	$90,000
FOREST CO. POTAWA	$238,000	$128,000	$19,000	57%	43%	3	$4,000
GRAND PORTAGE	$190,000	$88,000	$0	63%	37%	2	$0
GRAND TRAVERSE	$19,000	$0	$0	98%	2%	1	$0
HANNAHVILLE	$173,000	$92,000	$11,000	57%	43%	3	$2,000
GREATER LEECH LAKE	$3,269,000	$1,741,000	$214,000	57%	43%	3	$43,000
KEWEENAW BAY	$557,000	$277,000	$0	60%	40%	2	$0
LAC COURTE OREILLES	$2,024,000	$1,299,000	$574,000	44%	56%	3	$116,000
LAC DU FLAMBEAU	$1,264,000	$643,000	$22,000	59%	41%	3	$5,000
LAC VIEUX DESERT	$87,000	$9,000	$0	78%	22%	2	$0
LOWER SIOUX	$150,000	$76,000	$1,000	60%	40%	3	$0
MENOMINEE	$1,856,000	$937,000	$19,000	60%	40%	3	$4,000
MILLE LACS	$397,000	$141,000	$0	69%	31%	2	$0
ONEIDA	$3,503,000	$2,301,000	$1,099,000	42%	58%	3	$221,000
PRAIRIE ISLAND SIOUX	$114,000	$41,000	$0	69%	31%	2	$0
RED CLIFF	$942,000	$592,000	$243,000	46%	54%	3	$49,000
RED LAKE	$552,000	$0	$0	93%	7%	1	$0
SAGINAW	$688,000	$377,000	$66,000	56%	44%	3	$13,000
SAULT STE. MARIE	$3,442,000	$2,092,000	$742,000	49%	51%	3	$149,000
SHAKOPEE SIOUX	$94,000	$36,000	$0	67%	33%	2	$0
SOKAOGON	$119,000	$45,000	$0	68%	32%	2	$0
ST. CROIX	$315,000	$106,000	$0	70%	30%	2	$0
STOCKBRIDGE-MUNSEE	$933,000	$479,000	$25,000	59%	41%	3	$5,000
UPPER SIOUX	$0	$0	$0	100%	0%	1	$0
WHITE EARTH	$1,898,000	$768,000	$0	66%	34%	2	$0
WISCONSIN-WINNEBAGO	$703,000	$111,000	$0	76%	24%	2	$0
Non-RRM AREA Svs.							
BILLINGS AREA							
BLACKFEET	$6,186,000	$2,504,000	$0	66%	34%	2	$0
CROW	$3,214,000	$575,000	$0	76%	24%	2	$0
FLATHEAD	$1,747,000	$9,000	$0	80%	20%	2	$0
FT BELKNAP	$1,562,000	$304,000	$0	75%	25%	2	$0
FT PECK	$6,166,000	$3,181,000	$195,000	59%	41%	3	$39,000
NO CHEYENNE	$4,271,000	$2,501,000	$731,000	52%	48%	3	$147,000
ROCKY BOYS	$1,530,000	$541,000	$0	69%	31%	2	$0
WIND RIVER	$7,291,000	$3,975,000	$658,000	56%	44%	3	$133,000
Non-RRM AREA Svs.							

Table VII: RESOURCE DEFICIENCY ESTIMATES

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	A Additional $ for 100% Funding (T5: E) - (T6: G)	B Additional $ for 80% Funding .8 x (T5: E) - (T6: G)	C Additional $ for 60% Funding .6 x (T5: E) - (T6: G)	D UNF %	E % Defic-iency	F HSPS Priority Category	FY 1990 Allocation (C / ΣC) X $10 mil.
CALIFORNIA AREA							
UNITED IHS	$1,814,000	$812,000	$10,000	60%	40%	3	$2,000
HUPA HEALTH ASSOC	$903,000	$365,000	$0	67%	33%	2	$0
SHASTA-TRINITY	$2,385,000	$1,652,000	$919,000	35%	65%	4	$185,000
CONSOLIDATED	$940,000	$529,000	$118,000	54%	46%	3	$24,000
NORTHERN VALLEY	$2,736,000	$1,717,000	$694,000	46%	54%	3	$140,000
LASSEN	$213,000	$47,000	$0	74%	26%	2	$0
CHAPA DE (AUBURN)	$1,372,000	$882,000	$392,000	44%	56%	3	$79,000
SONOMA COUNTY	$1,313,000	$730,000	$146,000	55%	45%	3	$29,000
TUOLUMNE	$579,000	$242,000	$0	66%	34%	2	$0
CENTRAL VALLEY	$1,586,000	$875,000	$164,000	55%	45%	3	$33,000
TOYAEE	$919,000	$303,000	$0	70%	30%	2	$0
TULE RIVER	$2,016,000	$1,282,000	$508,000	47%	53%	3	$102,000
SANTA YNEZ	$0	$0	$0	100%	0%	1	$0
RIVERSIDE/SB	$6,061,000	$3,653,000	$1,245,000	50%	50%	3	$251,000
KARUK	$716,000	$350,000	$0	61%	39%	2	$0
PI-MA-PA	$105,000	$0	$0	90%	10%	1	$0
MCDOC	$49,000	$0	$0	87%	13%	1	$0
ROUND VALLEY	$186,000	$0	$0	83%	17%	1	$0
LAKE COUNTY	$352,000	$153,000	$0	65%	35%	2	$0
SOUTHERN IHC	$1,280,000	$631,000	$0	61%	39%	2	$0
INDIAN HEALTH COUNCIL	$3,033,000	$1,932,000	$831,000	46%	58%	3	$167,000
Non-RRM AREA Svs.							
NASHVILLE AREA							
CHEROKEE	$4,169,000	$1,471,000	$0	69%	31%	2	$0
CHITIMACHA	$86,000	$0	$0	86%	14%	1	$0
CHOCTAW	$2,863,000	$737,000	$0	72%	28%	2	$0
COUSHATTA LA	$235,000	$107,000	$0	63%	37%	2	$0
ALA COUSHATTA TX	$497,000	$346,000	$195,000	34%	66%	4	$39,000
CREEK	$898,000	$334,000	$0	62%	38%	2	$0
WAMPANOAG	$83,000	$39,000	$0	82%	36%	2	$0
MALISEET	$207,000	$68,000	$0	70%	30%	2	$0
MICCOSUKEE	$0	$0	$0	100%	0%	1	$0
NARRAGANSETT	$438,000	$183,000	$0	66%	34%	2	$0
PASS, IT	$10,000	$0	$0	99%	1%	1	$0
PASS, PP	$126,000	$0	$0	91%	9%	1	$0
PENOBSCOT	$0	$0	$0	100%	0%	1	$0
PEQUOT	$431,000	$272,000	$112,000	46%	54%	3	$23,000
SEMINOLE	$542,000	$0	$0	82%	18%	1	$0
SENECA	$1,697,000	$586,000	$0	69%	31%	2	$0
ST. REGIS	$2,308,000	$1,392,000	$476,000	50%	50%	3	$96,000
TUNICA BILOXI	$118,000	$60,000	$2,000	59%	41%	3	$0
Non-RRM AREA Svs.							

Table VII: RESOURCE DEFICIENCY ESTIMATES

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NAVAJO AREA							
CHINLE	$11,656,000	$5,125,000	$0	64%	36%	2	$0
CROWNPOINT	$6,599,000	$2,652,000	$0	66%	34%	2	$0
FT DEFIANCE	$6,198,000	$2,847,000	$0	69%	31%	2	$0
GALLUP	$17,685,000	$9,481,000	$1,277,000	57%	43%	3	$257,000
KAYENTA	$5,977,000	$3,025,000	$75,000	59%	41%	3	$15,000
SHIPROCK	$15,682,000	$7,928,000	$174,000	60%	40%	3	$35,000
TUBA CITY	$11,197,000	$5,449,000	$0	61%	39%	2	$0
WINSLOW	$4,764,000	$2,381,000	$0	60%	40%	2	$0
Non-RRM AREA Svs.							
OKLAHOMA AREA							
ADA	$5,645,000	$2,808,000	$0	60%	40%	2	$0
CLAREMORE	$16,842,000	$10,432,000	$4,023,000	47%	53%	3	$810,000
CLINTON	$2,671,000	$915,000	$0	70%	30%	2	$0
HASKELL	$844,000	$330,000	$0	67%	33%	2	$0
HOLTON	$294,000	$0	$0	87%	13%	1	$0
LAWTON	$10,140,000	$5,663,000	$1,166,000	55%	45%	3	$235,000
PAWNEE	$2,965,000	$344,000	$0	77%	23%	2	$0
SHAWNEE	$11,450,000	$7,516,000	$3,581,000	42%	58%	3	$721,000
TAHLEQUAH	$9,294,000	$5,161,000	$1,028,000	55%	45%	3	$207,000
WEWOKA	$5,190,000	$3,464,000	$1,738,000	40%	60%	4	$350,000
CHEROKEE	$17,843,000	$11,117,000	$4,591,000	48%	54%	3	$925,000
CHICKASAW	$4,799,000	$3,227,000	$1,655,000	39%	61%	4	$333,000
CHOCTAW	$9,900,000	$6,042,000	$2,185,000	49%	51%	3	$440,000
CREEK	$8,157,000	$5,335,000	$2,513,000	42%	58%	3	$506,000
EAGLE PASS	$204,000	$61,000	$0	72%	28%	2	$0
Non-RRM AREA Svs.							
PHOENIX AREA							
COLORADO RIVER	$835,000	$0	$0	91%	9%	1	$0
FT. YUMA	$435,000	$0	$0	92%	8%	1	$0
KEAMS CANYON	$4,395,000	$2,173,000	$0	60%	40%	2	$0
PHOENIX	$23,804,000	$13,300,000	$2,796,000	55%	45%	3	$563,000
SACATON	$4,664,000	$866,000	$0	75%	25%	2	$0
SAN CARLOS	$8,235,000	$4,949,000	$1,662,000	50%	50%	3	$335,000
WHITERIVER	$3,683,000	$0	$0	80%	20%	1	$0
U & O	$683,000	$0	$0	88%	12%	1	$0
OWYHEE	$948,000	$0	$0	84%	16%	1	$0
SCHURZ	$4,346,000	$1,413,000	$0	70%	30%	2	$0
Non-RRM AREA Svs.							

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PORTLAND AREA							
COLVILLE	$1,567,000	$132,000	$0	78%	22%	2	$0
FORT HALL	$3,026,000	$1,478,000	$0	61%	39%	2	$0
KLAMATH	$1,085,000	$574,000	$64,000	58%	42%	3	$13,000
NEAH BAY	$1,099,000	$336,000	$0	71%	29%	2	$0
NORTH IDAHO	$1,983,000	$687,000	$0	69%	31%	2	$0
NW WASH	$344,000	$0	$0	93%	7%	1	$0
PUYALLUP	$2,107,000	$1,019,000	$0	61%	39%	2	$0
PUGET SOUND	$1,641,000	$0	$0	85%	15%	1	$0
TAHOLAH	$821,000	$0	$0	81%	19%	1	$0
UMATILLA	$1,039,000	$305,000	$0	72%	28%	2	$0
WARM SPRINGS	$2,718,000	$1,340,000	$0	61%	39%	2	$0
WELLPINIT	$864,000	$152,000	$0	78%	24%	2	$0
WOREGON	$5,300,000	$3,258,000	$1,216,000	48%	52%	3	$245,000
YAKIMA	$6,680,000	$3,969,000	$1,259,000	51%	49%	3	$254,000
Non-RPM AREA Svs.							
TUCSON AREA							
SELLS	$3,755,000	$74,000	$0	80%	20%	2	$0
YAQUI	$1,814,000	$738,000	$0	66%	34%	2	$0
Non-RPM AREA Svs.							
IHS AREA SUMMARY							
ABERDEEN	80,895,000	32,168,000	5,985,000	60%	40%	2	1,205,000
ALASKA	77,881,000	34,328,000	1,641,000	65%	35%	2	330,000
ALBUQUERQUE	27,356,000	10,589,000	0	67%	33%	2	0
BEMIDJI	27,342,000	14,495,000	3,625,000	61%	39%	2	731,000
BILLINGS	31,987,000	13,592,000	1,584,000	65%	35%	2	319,000
CALIFORNIA	28,361,000	16,125,000	5,027,000	55%	45%	3	1,012,000
NASHVILLE	14,308,000	5,595,000	785,000	70%	30%	2	158,000
NAVAJO	81,658,000	38,919,000	1,526,000	62%	38%	2	307,000
OKLAHOMA	106,038,000	62,405,000	22,480,000	52%	48%	3	4,527,000
PHOENIX	52,030,000	22,701,000	4,458,000	67%	33%	2	898,000
PORTLAND	30,274,000	13,250,000	2,539,000	67%	33%	2	512,000
TUCSON	5,569,000	812,000	0	77%	23%	2	0
Area Exclusions							
National Exclusions							
IHS TOTAL	$43,679,000	264,959,000	49,650,000	62%	38%	2	9,999,000

ELIGIBILITY REGULATIONS

Question. What progress have you made over the past year to determine the funding impact of the proposed new eligibility regulations?

Answer. The House and Senate bill reports on the FY 1989 Interior Appropriations Act, P.L. 100-446, required that the IHS conduct a study to determine the fiscal impact of the new eligibility regulations. The study was completed and forwarded to the Congress on May 10, 1989, and reported a need for an additional $26 million for contract health services (CHS) if the level of services were to be kept constant. In the FY 1990 Interior Appropriations bill, the Congress ordered a continuance of the moratorium unless and until the Administration requests and the Congress provides the funds necessary for implementation. After adjusting for inflation, a recent IHS estimate of the need in FY 1992 was $30.6 million.

Question. What do you assume in your FY 1991 budget with respect to implementing these regulations? Are any funds included for this purpose?

Answer. Since no funds for implementation of the new eligibility regulations are contained in the FY 1991 budget request, we assume that the moratorium will continue.

SEPARATE APPROPRIATIONS FOR FEDERAL AND TRIBAL

Question. Again this year you propose separate appropriation accounts for Federal Health Administration and for Tribal Health Administration. The Committee have not agreed with such a separation in the past.

What new information do you have this year to demonstrate that this approach is needed?

Answer. There is no new information concerning this request. However, the Administration continues to believe that separate appropriations communicate strong support of self-determination and may remove barriers for some tribes which have been reluctant to contract their health programs.

Question. Isn't what's really needed more funds for contract support costs rather then separate accounting systems?

Answer. Contract support funds have been requested to fully meet the needs of the tribal contractors. Historically, it is true that tribes have identified inadequate resources as the single largest barrier to tribes expanding the contracted operations under the authorities of P.L. 93-638.

CONTRACT CONVERSION TO THE CALENDAR YEAR

Question. What's the status of the conversion of tribal contracts to a calendar year basis? ($16 million provided in FY 1990)

Answer. IHS has surveyed all tribal contractors in order to determine which are willing to convert to a calendar year basis. We plan to convert almost all tribal contractors who wish to do so by September 30. A report providing detailed information regarding the conversion process and detailing the funding requirements for conversion is being prepared for submission to the congressional appropriations committees.

Question. What is your estimate of the additional funds that would be required to convert all these contracts to the calendar year?

Answer. Less than $11 million will be required to convert all contracts for which contractors have, to date, indicated a willingness to convert to the calendar year.

Question. What funds are included in the FY 1991 budget request for converting contracts to the calendar year?

Answer. The FY 1991 budget does not include a request for funds for converting tribal contracts to a calendar year basis. The FY 1990 Appropriation included $16 million for this purpose and this amount was included as a built-in decrease (non-recurring costs) in the FY 1991 budget.

The IHS is currently developing a policy and a set of procedures that will enable tribal contractors, at their option, to convert to a calendar year basis for funding. Data has been received from the Area Offices on the number of contractors involved and funding requirements to convert to a calendar year basis. The IHS will meet with BIA officials to discuss and complete the report. The report should be completed by May 31, 1990.

MEDICALLY NEEDY AND MEDICALLY INDIGENT

Question. In FY 1990 IHS allocated additional funding to the Phoenix, Navajo and Tucson Areas to address the contract health care costs of the medically needy and medically indigent. What additional funds went to each of these areas?

Answer. The IHS received an additional $12 million in FY 1990 to help meet the shortfall in contract health care. Of this amount, the Phoenix, Tucson, and Navajo areas received a total of $5.2 million, which could be applied to address the increased costs for the medically needy and medically indigent. The breakdown by area is:

Tucson	$218,000
Phoenix	$2,920,000
Navajo	$2,049,000

Question. What does the FY 1991 budget assume with respect to the continued provision of additional funds to these areas?

Answer. The FY 1991 budget assumes that in addition to a cost increase, the FY 1990 funds allocated to these three areas will be continued in FY 1991.

LIABILITY COVERAGE FOR TRIBAL CONTRACTORS

Question. What is being done to address the cost implications of liability coverage for tribal contractors?

Answer. The Bureau of Indian Affairs is proceeding with a competitive procurement to conduct a feasibility study on the liability issue. The results of this study, which will examine the practicality and feasibility of various options with respect to liability coverage for tribal contractors, will be used by IHS as well.

Question. When do you expect to transmit a report to the Committee identifying the costs and benefits of various liability coverage alternatives?

Answer. The Bureau of Indian Affairs expects the report, which is to be prepared by a competitively selected contractor, to be completed by December 31, 1990.

Question. What funds are included in your FY 1991 budget request to pay for liability insurance for tribal contractors?

Answer. No funds have been specifically requested in IHS' FY 1991 budget request for liability insurance. Pending the outcome of the BIA-contracted study on liability coverage alternatives, IHS will continue to fund costs for appropriate liability coverage within the current funding levels of self-determination contracts and use the Federal Tort Claims Act coverage, when applicable.

LIABILITY COVERAGE FOR URBAN PROGRAMS

Question. The Committee has received several requests to extend Federal Tort Claims Act coverage to the Urban Indian Health Program (as it is now for tribal contractors). What do you see as the major advantages to be gained from extending liability coverage to the urban programs?

Answer. The major advantage to be gained by the Urban programs from the Extension of the Federal Tort Claims Act to include these programs would be a resultant increase in resources available for health services. For example, it would make available approximately $500,000 of funds currently expended on malpractice insurance for additional much needed medical services. These funds would support approximately 20,000 additional outpatient visits for urban tribes per year.

Question. What obstacles, if any, would need to be overcome in order to extend this coverage to the urban programs?

Answer. I would anticipate strong opposition from within the Executive Branch of Government to extending Federal Tort claims Act coverage to what is essentially a private contractor which can not claim either the special status of a tribe or the unique authority of P.L. 93-638 allowing the tribe to take over a Federal program.

The 1988 expansion of the Federal Tort Claims Act (FTCA) to cover medical malpractice claims against employees of tribes and tribal

organizations with Self-Determination contracts and grants was based on the rationale that the liability exposure of the Federal government was not, in effect, being changed. This is because when a tribe exercises its authority under the Indian Self-Determination Act, P.L. 93-638, it takes over a Federal function. The same rationale does not apply to urban Indian programs since the urban programs do not take over ongoing government programs. In addition, it is not clear that expansion of the FTCA is the most effective way to deal with tort liability even under P.L. 93-638. Funds for a study of the alternatives have been provided in the fiscal year 1990 Appropriations Act. Though not aimed at the urban Indian programs, this study may, hopefully, provide data that may be useful in reviewing the impact of insurance needs and the effect of increased costs on urban Indian programs.

PRIVATE THIRD PARTY COLLECTIONS

Question. You estimate that you will collect $8 million this year in payments from private insurance. The estimate of third party collections for FY 1991 is $40 million. How much have you collected so far this year from billings to private insurers?

Answer. A total of $730,876 has been collected from private insurers as of March 31, 1990.

Question. Given that the fiscal year is more than halfway through, realistically, how much can you expect to recover this year?

Answer. We expect to recover eight million dollars in private insurance collections this year.

Question. What do you think are reasons for lower-than-expected collections?

Answer. Collections will reach maximum potential as experience is obtained and the billing and collection system is fully automated. The lack of experience and automation primarily accounts for lower than expected collections to date.

Question. What are you doing to improve your ability to recoup these funds?

Answer. We plan to automate the billing and collection system in the last half of FY 1990. At the present time we are reviewing automated billing systems available in the private sector with the plan to purchase an available package rather than attempt to develop one in-house. Meanwhile, we continue to gain experience on ways to improve our capabilities.

Question. How can you justify a $40 million estimate for FY 1991, given the low level of collections to date?

Answer. We have confidence in the factor that led to this projection. However, as we have stated previously, much will depend on our ability to automate the billing process and other activities as we gain experience.

Question. What is the average amount of funding required for a loan repayment for a medical doctor? What's the average for a dentist? What's the average for a nurse?

Answer. The average amounts of loan repayment for a doctor, a dentist, and a nurse are as follows:

SPECIALTY	AVERAGE DEBT LOAD FY 1989
Medical Doctor	$40,451
Dentist	$43,891
Nurse	$15,362

Question. How do you decide the number of doctors, dentists, or nurses to fund in the loan repayment program?

Answer. The number of doctors, nurses, and other health professionals is the loan repayment program is determined by the amount of funds available each fiscal year. Priority in making awards will be given to physicians and nurses matching to Tier I Recruitment/Retention Priority Sites (RRPS) and physicians in the eight priority specialities (anesthesiology, general surgery, obstetrics/gynecology, ophthalmology, orthopedic surgery, otolaryngology, psychiatry, and radiology). Physicians and nurses matching to Tier II RRPS sites will have second priority, followed by those physicians and nurses matching to Tier III sites. After physicians and nurses and physicians in the eight priority specialties are matched, other health professionals will be given consideration matching to Tier I sites, followed Tier II sites and Tier III sites.

TIER 1 sites are facilities the IHS has designated as it highest priority for fill. These sites are generally isolated geographically and have experienced higher than average staff turnover during the past few years. TIER 2 sites are generally less isolated and have had less turnover then TIER 1 sites, but are still high priority to be filled. TIER 3 sites are all sites not listed as either TIER 1 or TIER 2.

Question. How many nurses would you expect to recruit in your $2 million nursing initiatives?

Answer. The amount cited is for recruitment and four other nursing initiatives. Through the recruitment initiatives IHS expects to recruit approximately 20-30 new staff members.

Question. You have a lot of impressive and needed projects planned based on your $40 million collections estimate:

$4 million for physician and nurse loan repayments
$2 million for an initiative to address the nursing shortage
$12 million for medical equipment
$4 million for medical supplies and drugs
$1 million for maternal and child health
$3.5 million for health promotion
$1.5 million for emergency medical services
$3 million for a computer billing system

$4 million for billing clerks
$3 million for quality assurance
$2 million for program oversight and evaluation (including alcoholism and mental health programs)

If you end up collecting $2 million or $3 million instead of $40 million, how will you decide what to fund?

Answer. The above categories will be prioritized based upon the most urgent needs of the service as determined in consultation with the appropriate individuals or parties.

Question. Given that your goal of $40 million in third party collections appears to be overly optimistic, to what extent would it be beneficial to your program to include these projects in direct appropriations.

Answer. It would be beneficial to our program to include these projects in direct appropriations and the $40 million dollar collections be used for other high priority needs.

DISTRIBUTION OF COLLECTIONS

Question. How much of the funds collected from private insurance are returned to the sites from which they were collected?

Answer. The funds that are collected from the claims submitted to insurance carriers are collected at the accounting point level (area office). The funds must then be processed through the accounting system and are then apportioned to each respective area office. In FY 1990 and FY 1991, it is IHS's plan to utilize the funds to purchase identified high priority items. To the greatest extent, the funds will be used at the local level to fund these high priority items. Statutory authority, contained in Section 207 of the Indian Health Care Improvement Act, states that the funds shall be used to provide health services to Indians.

Question. Wouldn't providing these funds back to the areas from which they were collected encourage continued and perhaps increased collections?

Answer. As previously mentioned, in FY 1990 and 1991, it is IHS's plan to utilize these funds to purchase high priority items identified in the President's budget. To the greatest extent, these funds will be used at the local level to fund these high priority items. This process returns these funds back to the areas from which they were collected and encourages continued and increased collections.

Question. If some or all of these funds were returned to the areas from which they were collected, how would they best be used?

Answer. They will be used in accordance with the requirements of the President's budget. That is, they will be used for:

- Physician and nurse loan repayments;
- Initiatives to address the nursing shortage;
- Purchase of medical equipment;

- Purchase of medical supplies and drugs;
- Enhancing and improving IHS's Maternal and Child Health Program;
- Purchasing emergency medical service equipment and training;
- Improving and enhancing computer resource to implement the private insurance billing process;
- Health promotion/disease prevention
- Hiring billing clerks;
- Purchasing services necessary to improve and enhance IHS's quality assurance program; and
- Provision of oversight evaluation for program outcome measurement.

LOAN REPAYMENT PROGRAM

Question. How many dentists were you able to recruit in FY 1989 through the loan repayment program? How many medical doctors? How many nurses?

Answer. For FY 1989, we recruited 50 dentists, 46 medical doctors, and 50 nurses through the loan repayment program.

Question. Excluding funds from third-party collections, what funds are included for loan repayments in the FY 1991 request? How does that compare with FY 1989 and FY 1990 funding?

Answer. Excluding funds from third-party collections, the fund included for loan repayment in the FY 1991 request is $3 million. In comparison, the amount allocated for loan repayment in FY 1989 was $2 million and in FY 1990 was $3 million.

HEADQUARTERS RELOCATION

Question. Have you concluded your analysis on relocating part of all of you Headquarters operation closer to program delivery points? What did you conclude?

Answer. Yes. The analysis focused on two approached to relocation. First, the relocation of the Director, IHS, with most of the headquarter's staff to a location closer to program delivery points. This approach considers leaving only a small liaison staff in Rockville. Secondly, the relocation of certain functions of the Headquarter's operation closer to program delivery points.

Conclusions reached on whether to relocate the director, IHS were negative. The Director, IHS is both substantively and symbolically the national leader for Indian health issues and concerns. The location of the director in the national seat of government is critical toward this end. This conclusion is supported overwhelmingly by tribal leaders and governments.

In regard to the question whether selected headquarter's functions should be relocated, difficulties emerge. On one end of the continuum, it is clear that some functions proved support and assistance to the field operations thereby supporting partial relocation. At the other end, it is equally clear that some functions provide direct support and assistance to the director,

IHS, and headquarter's operations thereby supporting retention. However, the precise demarcation on this continuum required further study to ensure sufficient support for the Director in carrying out agency authorities and responsibilities.

PHYSICIAN CERTIFICATION

Question. On page 71 of your budget you say that 70 percent of your physicians are licensed and 95 percent are board-certified. Why aren't 100 percent of your physicians licensed?

Answer. There is an error in the FY 1991 budget justification. Approximately 98 percent of IHS physicians are licensed, and 70 percent are board certified or board eligible. Of the small number of unlicensed physicians, almost one-half are in residency training and are not required by the state in which they are training to be licensed. The others fall into one of two categories: physicians just finishing training who are hired prior to taking their licensure exam, or physicians who were hired to the requirement of licensure as a condition of employment.

Question. What does this statement mean?

Answer. There is an error in the FY 1991 budget justification. Approximately 98 percent of IHS physicians are licensed, and 70 percent are board certified or board eligible.

FISCAL INTERMEDIARY

Question. What funds are included in the FY 1991 request for fiscal intermediary services? How does that compare with FY 1989 and FY 1990?

Answer. The funding for fiscal intermediary services by fiscal year is:

FY 1989	$1,834,800
FY 1990	$2,724,796
FY 1991	$2,500,000

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Question. What services are currently performed by the fiscal intermediary? Will those services be expanded in FY 1991? If so, please explain the changes.

Answer. Currently, the fiscal intermediary operates on a nationwide basis, a claims processing system for medical claims for hospital and physician services for all twelve areas and dental claims for eight areas. The fiscal intermediary plans, staffs, implements, monitors, reports workload units and costs, reports demographic statistical data, and makes recommendations about the processing and payment of claims submitted by private providers.

Several plans are under way to expand the use of the fiscal intermediary in FY 1991. An analysis will be completed to assess the feasibility of the fiscal intermediary processing additional claims involving lab, X-ray and pharmacy. Also, the fiscal intermediary will be used to assist the IHS to become more cost

effective through Managed Care and pre-payment review (edits).

FY 1990 HOSPITALS AND CLINICS FUNDS DISTRIBUTION

Question. The Committee has received several letters expressing concern that the Portland Area this year will receive an increase of only $14,000 over the amount provided in FY 1989.

Is this so? If so, please explain why more funds were not provided to meet rising pay costs and cost of living increases. If not, what amount will be provided to the Portland Area? How does this amount compare with FY 1989?

Answer. This is incorrect. For instance, the Portland Area received recurring increases in FY 1990 of $2,947,900 for mandatory cost increases, $449,300 for Contract Health Services, $504,600 from the Indian Health Care Improvement Fund, $2,279,800 for tribal indirect cost, and other increases bringing the total to $10,334,400 in recurring increases.

ONEIDA NATION OF NEW YORK

Question. What are you doing to work with the Oneida Indian Nation of New York to ensure that adequate health care is available throughout their six county area?

Answer. The Oneida Nation of New York has been awarded a grant in the amount of $50,000 for the period of August 1, 1989 through July 31, 1990. The purpose of the grant is to conduct a feasibility study to determine the needs of their people by conducting a health needs assessment.

The Health Service Delivery Area (HSDA) for the Oneida Nation as published in the Federal Register dated August 25, 1988 is designated as Oneida County, New York. The Oneida Nation has requested that their HSDA be changed to include five additional counties (Herkimer, Chenango, Onondaga, Madison and Portland). The Nashville Area Office, IHS, has provided assistance to the tribe in requesting this change by outlining the steps they should take.

The Oneida Nation has recently made application for a tribal management grant. This application is currently being reviewed in the Nashville Area Office, IHS.

ISLETA HEALTH CLINIC IN NEW MEXICO

Question. The President of the Pueblo of Isleta Council reported to the Committee that the Isleta Health Clinic has discontinued dispensing needed medication.

Answer. The Albuquerque Service Unit, where the Isleta Health Clinic is located, has been faced with rapidly escalating costs associated with providing direct health care services. In order to maintain the full ability to provide direct services, the service unit has instituted a policy that limits some prescription services. Routine medication dispensing continues for all direct service patients, referrals from providers with clinical privileges at Albuquerque Indian Hospital, and for patients seen at the

University of New Mexico Emergency Department. Limitations have been placed on prescription orders written by providers who do not have clinical privileges and for patients with approved Medicaid prescriptions that may be obtained in local pharmacies.

LAC DU FLAMBEAU EDUCATION PROGRAM IN WISCONSIN

Question. To what extent do you support the Native Americans in Health Care program developed by the Lac du Flambeau Band of Lake Superior Chippewas? (to assist tribal members in preparing for health care professions)

Answer. The IHS supports the concept, work and the efforts of the Lac du Flambeau in developing a program to assist their own tribal members in preparing for a health professions career. However, the IHS is not providing financial support to the program. The current appropriations level of Section 101, Public Law (P.L.) 94-437 as amended by P.L. 100-713, does not provide an adequate level of support to allow the IHS to fund any additional programs.

Question. What amount of funding was provided in FY 1989 for this program? What amounts do you expect to provide in FY 1990 and FY 1991?

Answer. The Native Americans in Health Care program of the Lac du Flambeau Band of Lake Superior Chippewas was not funded under Section 101 of Public Law (P.L.) 100-713. The available funds appropriated by Congress for the purposes as described in Section 101 of P.L. 94-713 as amended by P.L. 100-713, are distributed on a competitive basis through the Grants process. In FY 1989, the IHS announced and awarded give grants to meet the established requirements of Section 101, expending all the available funds appropriated for this section, for three year project periods. The Lac du Flambeau program was not one of the grantee, therefore, no funds will be expended for this program in FY 1990 or FY 1991 from Section 101 appropriations unless additional funds become available in future years.

TRIBAL CONTRACT SUPPORT

Question. How did you arrive at your estimate of $100,981,000 for tribal contract support requirements in FY 1991?

Answer. The estimate of $100,981,000 for tribal contract support requirements in FY 1991 consists of $44.5 million to fund indirect costs and indirect types of costs of P.L. 93-638 contractors, $46.1 million to fund direct contract support costs for P.L. 93-638 contractors, $6 million to fund indirect costs associated with Buy-Indian programs, and amounts for indirect costs associated with Urban Indian projects, other miscellaneous activities, including an inflation factor.

Question. What was the requirement in FY 1989? What do you estimate for FY 1990?

Answer. The requirement for FY 1989 was $47,019,000 and $71,860,000 for FY 1990. The FY 1990 amount includes a factor for

inflation and an additional $23 million to fund the historic shortfall for indirect costs and indirect types of costs incurred by tribal contractors.

Question. What is the difference between "contract support costs" for which you request $22.6 million, and "indirect costs" for which you request $78.4 million?

Answer. The difference reflects the fact that tribal contractors, in accordance with the flexibility permitted under Office of Management and Budget Circular A-87, recover contract support costs as both direct and indirect costs in varying proportions depending upon their accounting systems. The request for these two categories should be viewed in the aggregate. The indirect cost figures included in previous budget requests have historically included amounts for contract support costs since the costs are similar, yet accounted for differently by some contractors. The $22.6 million in the FY 1991 budget was intended to reflect the increase in contract support funding to fully fund contract support, including indirect costs and indirect types of costs which may be charged directly.

Question. Are these the same amounts as you initially requested of the Public Health Service? If not, please explain the difference.

Answer. These are not the amounts originally requested. Additional information concerning contract support funding requirements caused an upward adjustment of $22.6 million in the final stages of formulation of the President's FY 1991 Budget.

SPECIAL RETENTION PAY

Question. To what extent does IHS use special retention pay to assist with physician and nurse retention?

Answer. Special retention pay is awarded and used as an incentive to retain physicians and nurses in the IHS. Special retention pay also makes the salaries for physicians and nurses more competitive with the private sector. Physician special pay is structured in a way to encourage physicians to locate and remain at the harder to fill IHS sites. Nurse retention is difficult throughout IHS and therefore nurse special salary rates are paid to all Civil Service nurses GS 4 through 12 and Commissioned Officer nurses are eligible for an accession bonus for signing a multi-year contract.

Question. Is special retention pay available to tribal contractors on the same basis as for IHS personnel? If not, please explain why not.

Answer. Yes. Special Pay is available to tribal contractors on the same basis as for IHS personnel.

Question. Several California Tribes testified before the Committee that no physician incentive funds were being provided to California. Why is this the case?

Answer. This issue is currently in litigation and there is no definitive answer at this time.

DIABETES SERVICES

Question. What does the FY 1991 request assume with respects to IHS diabetes services?

Answer. The FY 1991 budget funds the IHS Diabetes Program at the same level as FY 1990. In FY 1990 the Program received a $1.5 million increase to establish 5 new sites as authorized in P.L. 100-713. The total budget in FY 1990 is $5.4 million.

Question. Are any new or expanded services planned?

Answer. The five Centers of Excellence begun in FY 90 were in the developmental phase. Full funding for these 5 in addition to the existing 12 centers will be in the FY 91 budget. Expansion will be limited to full operation of all centers. Area diabetes control activities will be continued at the FY 1990 present level.

Question. Your initial request to the Public Health Service included an additional $1.5 million for the diabetes program. What would you have done with these funds? (IHS priority rank 37)

Answer. In FY 90 IHS received $1.5 million to implement 5 new diabetes projects authorized in P.L. 100-713. If additional funds were available in 1991, these funds would be used to enhance area diabetes control functions as authorized in P.L. 100-713. In addition, two other activities could be enhanced. Initiatives to establish high risk foot clinics would be developed as well as grants to allow facilities to develop diabetes education programs according to national standards.

Question. How many "centers of excellence" do you have to provide care for complications of diabetes? What is the average cost per center? How many more centers do you need to fully address the need for these services?

Answer. There are 17 model diabetes centers of excellence funded on the average of $250,000 per center. Most of these centers target complications as a routine part of diabetes care. None of the present centers address the recommendation from the National Diabetes Advisory Board calling for IHS referral hospitals to develop state-of-the-art care for particular complications such as eye disease or peripheral vascular disease. There are at least 4 IHS hospitals with ophthalmologists where services could be enhanced to treat diabetic retinopathy.

DIALYSIS TREATMENT

Question. On Page 86 of your budget justification you provide details on dialysis treatment in the different IHS regions in FY 1989. Why did it cost $1,247,699 to treat 58 cases in Phoenix and only $394,307 to treat 52 cases in the Navajo region?

Answer. During FY 1989 the total number of new cases of End Stage Renal Disease (ESRD) was 52 in the Navajo Area and 58 in the

Phoenix Area. The total numbers of ESRD cases was 208 for the Navajo and 230 for the Phoenix Area. The IHS expenditure for dialysis for these patients in the Navajo Area was $394,000 and the Phoenix Area was $1,247,000 for FY 1989. These do not include additional costs covered by Medicare, Medicaid, and other third party payers.

Although there are similar numbers of patients in the two Areas, the difference in costs incurred by the IHS is mainly due to the difference in Medicaid coverage of dialysis among states. In New Mexico, Medicaid pays the 20 percent co-insurance costs for indigent patients, while in Arizona reservation-based Indians are not covered by the Medicaid program. Only slightly more than half of the Navajo Area population resides in Arizona. Therefore, the Phoenix Area paid the 20 percent co-insurance (approximately $5,000 per patient per year) for a larger number of dialysis patients, resulting in a greater expenditure of funds.

TOHONO O'ODHAM DIABETES PROGRAM

Question. In testimony before the Committee last month, representatives of the Tohono O'odham Nation reported that mortality from diabetes-related causes in their area is the highest of any area in the IHS, with 18.3% of the population affected and over 40% of adults over 40 affected. What are you doing to assist the Tohono O'odham Nation establish a community-based diabetes program?

Answer. A model diabetes center targeted to the prevention of diabetes in elementary school children has been established in one community. In addition, part of the salary of the tribal health physician is covered by the model diabetes center so that this physician can assist in diabetes control activities throughout the reservation.

Question. To what extent is funding in your budget request available for such a program? ($324,000 requested by the Tribe).

Answer. The FY 1991 budget request continues the diabetes center in one community at the present level of $210,000. No monies are available for expansion.

CHEYENNE RIVER SIOUX DIABETES PROGRAM

Question. The Cheyenne River Sioux Tribe also reported a diabetes rate of over 40% in adults. They too would like to establish a diabetes program. ($380,000 is requested.) What have you done to work with the Tribe on setting up a diabetes program?

Answer. Aberdeen Area Diabetes Coordinator has provided extensive technical assistance to the tribe including an audit of diabetes care practices. Training and orientation for IHS staff and tribal employees was recently held on the reservation. Tribal officials actively participated in the NIH-IHS conference. However, Specific funds have not been available to establish a model diabetes center.

Question. Are many other tribes subject to such a high

incidence of diabetes as that of the Tohono O'odham and Cheyenne River Sioux? If so, which tribes and what programs are in place for those tribes?

Answer. Many tribes are subject to high rates of diabetes. The estimated diabetes rates by area for 1987 reflect the extent of the problem. Although Alaska rates appear lower than U.S., Alaska Native rates are higher than non Natives in Alaska and Natives age 15+ over are increasing.

Prevalence of Diagnosed Diabetes in Patients
Aged 15 and Older, 1987
Indian Health Service, By Area

From unduplicated APCs, excluding Service Units
with predominantly contract care.

IHS AREA	CRUDE RATE	AGED-ADJUSTED RATE *	RISK RATIO *
U.S. ***	-----	3.18	1.00
Tucson	12.04	15.37	4.83
Aberdeen	9.86	13.54	4.24
Phoenix	10.12	13.42	4.22
Albuquerque	8.61	12.07	3.80
Bemidji	8.11	11.77	3.70
Nashville	8.74	11.17	3.51
Billings	7.72	11.03	3.47
All IHS Areas	6.86	8.87	2.79
Oklahoma	6.98	7.66	2.41
Navajo	5.13	7.24	2.28
Portland	4.33	6.25	1.97
Alaska	1.30	1.97	0.62

Rate per 100, aged-adjusted to the 1980 US Census, ages 15 and older50 Risk Ratio compared to the US rate
***1979-1981 National Health Interview Survey, ages 15 and older

36.9% of IHS patients diagnosed with diabetes in 1987 were also diagnosed with hypertension.

INFANT MORTALITY

Question. How did you arrive at your estimate of FY 1991 expenditures of $189,978,144 in the IHS hospitals and clinics budget for reduction of infant mortality and $1,680,000 in the urban programs?

Answer. The estimate of $189,978,144 was based on FY 1988 workload data generated from IHS Direct/Tribal and Contract prenatal, perinatal and infant care services provided to American Indian and Alaska Native women and infants and the costs of specific programs in Fetal Alcohol Syndrome (FAS) and Haemophilus influenza infection prevention. These services to women and infants have a direct effect on the health status of infants.

The estimated cost of these services in FY 1988 was $159,599,000,

and to arrive at the estimate of $189,978,144 for FY 1991 the following factors were added to the FY 1988 base estimate:

1. A 5.6 percent, a 5.8 percent and a 5.6 percent inflation increase for FY 1989, FY 1990 and FY 1991 respectively

2. Costs in FY 1990 for specific program activities in FAS ($1,132,000) and Haemophilus influenza prevention ($461,000)

Question. What do these estimate include?

Answer. These estimates include the following factors:

1. Hospital admissions for deliveries, pregnancy related conditions, newborns and infant care (under 1 year of age)

2. Outpatient visits for prenatal care, pregnancy related conditions and infant care

The estimated cost of these services in FY 1988 was $159,599,000. and to arrive at the estimate of $189,978,144 for FY 1991 the following factors were added top the FY 1988 base estimate:

1. A 5.6 percent, a 5.8 percent and a 5.6 percent inflation increase for FY 1989, FY 1990 and FY 1991 respectively

2. Costs in FY 1990 for specific program activities in FAS ($1,132,000) and Haemophilus influenza prevention ($461,000).

INFANT MORTALITY

Question. What are the comparable numbers for FY 1989 and FY 1990?

Answer. The comparable numbers are as follows:

1989 - $168,535,000

1990 - $178,310,000

RESOURCE AND PATIENT MANAGEMENT SYSTEMS

Question. What are you doing with the funds appropriated in FY 1990 for your computerized Resource and Patient Management System?

Answer. Funds appropriated in FY 1990 amounted to $3,950,000 of which $2.5 million was used to support existing hardware and maintenance and $1.5 million was used for staffing for technical support and software application development.

Question. You request an increase of $5,815,000 for the first funding of a 3-year, 3-part initiative to upgrade the Resource and Patient Management System:

1. $3,510,000 is requested for 9 systems at the largest IHS hospitals. 34 systems are planned over 3 years.
What is the total estimated cost of the 34 systems?

Answer. The total estimated cost of the 34 systems over a 3 year period is $13,000,000. The first year cost is less due to the start-up and training timeframe required to bring these large systems into operation; and reflects the estimated recurring base needed to maintain thecapital investment of these systems once installed.

Question. How much will be required in FY 1992? How much is planned for FY 1993?

Answer. The total estimated cost for FY 1992 is $4,620,000 (12 systems) and for FY 1993, $4,960,000 (13 systems) which will complete the installation of these systems over the 3-year time frame.

Question. 2. $1,237,500 is requested for the first year of a 2-year plan for additional software, computing capacity and data storage. Where will these improvements be installed?

Answer. These improvements, consisting of computer systems upgrades and/or replacements, will be installed at both IHS and tribal mid-level facilities (small hospitals and health centers); and located in all improvement cost reflects the estimated recurring base needed to maintain the capital investment of these systems once installed.

Question. How much will be required in FY 1992?

Answer. The estimated cost for FY 1992 is $1,362,500 of the total estimated cost ($2,600,000) which will complete the estimated 58 facilities which have need.

Question. 3. $1,067,500 is requested for the first year of a 3-year plan to upgrade data processing and storage at the Albuquerque service center.

What is the total estimated cost of this project?

Answer. The total estimated cost over the 3-year period is $3,400,000. The first year request reflects a lapse associated with startup; and reflects the estimated recurring base needed to maintain the capital investment of this system once installed.

Question. How much will be required in FY 1992? How much will be needed in FY 1993?

Answer. The total estimated cost is $1,170,000, for both FY 1992 and FY 1993.

HOSPITAL ADMISSIONS

Question. On page 110 of your budget justification you project that hospital admissions will decline from 71,243 in FY 1989 to 70,000 in FY 1990 and 68,000 in FY 1991. With your service population increasing, why do you expect hospital admissions to decline in FY 1990 and FY 1991?

Answer. The projected decline is consistent with national

short-stay general hospital discharge rates, which have been declining as some illnesses and procedures that used to require an inpatient stay now are treated/performed on an outpatient basis. The projection was based on previous experience at IHS-operated hospitals.

Question. What were actual admissions in FY 1987 and FY 1988?

Answer. Admissions to IHS-operated hospitals for fiscal years 1986-1989 were

1986: 78,146
1987: 76,335
1988: 76,707
1989: 71,416.

DENTAL SERVICES

Question. The request for dental services is $36 million and 687 FTEs, an increase of about $3 million over the FY 1990 level. What percent of need currently is being met by the IHS dental program?

Answer. With current funding the IHS is able to meet 34 percent of the dental needs of Native American people.

Question. What percent will be met by your FY 1991 request?

Answer. The FY 1991 request will provide for the same percentage of treatment need (34 percent).

Question. What amount of funding would be required to eliminate the backlog of unmet dental care requirements?

Answer. To eliminate the current backlog of dental disease in the Native American population would require $34.2 million annually over a span of 10 years or a total of $342 million.

Question. At the current rate of funding, how long would it take to eliminate the backlog while continuing to treat all newly occurring disease?

Answer. Current funding does not permit the treatment of all newly occurring disease each year, thus, backlog as a whole remains unaddressed and continues to increase. To fully address newly occurring disease would require an additional $38.5 million to be added to the recurring funding base. Any funding beyond this amount would result in reduction of the backlog of dental needs.

INITIAL REQUEST FOR DENTAL SERVICES

Question. Your request to the Public Health Service for the dental program included $4,765,000 and 72 FTEs above the current request. (IHS priority rank 44). How would these funds and personnel have been distributed?

Answer. These funds would be distributed using the Dental Resources Allocation Methodology. This allocation formula is used to assess relative need for resources among dental program

components at the area and service unit levels and is an alternative to the historic "base plus" method of resource distribution.

The formula consists of two modules: need and performance. The need portion compares the resource requirements necessary to annually provide dental treatment among dental program components and determines their relative level of need. The performance section assesses the efficiency and effectiveness with which dental services are provided and determines a relative performance level for each component of the dental program.

Allocation of resources using this formula promotes equitable distribution of resources based on need and performance and has been used to allocate increases in the dental program budget since FY 1986.

IN-DEPTH REVIEWS OF DENTAL PROGRAMS

Question. What were the results of your in-depth review of the dental program in the Albuquerque Area? (p. 14)

Answer. The Albuquerque Area has recently experienced budget shortfalls which have resulted in constraints on the dental program. This is reflected in the extended lapse of 2 dental officer positions and delays in replacement of deteriorated equipment. The review also revealed difficulties in complying with IHS fluoridation policy.

Question. What funds are included in the FY 1991 request to correct deficiencies identified in the review?

Answer. Funds requested in FY 1991 will permit the Albuquerque Area to fully fund its dental positions.

Question. When will you conduct reviews in the Billings and Portland Areas? (postponed due to staff turnover)

Answer. The Billings Area dental program review was conducted March 14-17, 1990 and the Portland review is tentatively scheduled for the 4th quarter of FY 1990 or early in FY 1991.

Question. What reviews are planned for FY 1991?

Answer. Area Dental Program reviews planned for FY 1991 include Bemidji, Aberdeen, Alaska and California.

AMERICAN DENTAL ASSOCIATION REQUEST

Question. The American Dental Association reported to the Committee that smokeless tobacco use among children as young as 5 is common in Alaska. ADA recommends $100,000 for a health education program on the dangers of smokeless tobacco for Alaskan school children in the lower primary grades. Has the IHS examined the use of smokeless tobacco in Alaskan children? If so, what did you find and did your findings support those of the ADA?

Answer. Yes, a study was conducted by the Alaska Area Native

Health Service Dental Section in 1986. The results published in the Morbility Mortality Weekly Report described a usage rate of smokeless tobacco in Native Alaskan children 5-18 years of 31 percent. These findings support the ADA statement on the use of smokeless tobacco by Native Alaskan children.

Question. What is your professional opinion of the ADA proposal?

Answer. We agree with the ADA that a health education program on the dangers of smokeless tobacco needs to be targeted to Native Alaskan school children as well as other Native American school children.

MOBILE DENTAL UNITS

Question. Does IHS use mobile dental units to service remote populations? If so, how widespread is their use? If not, to what extent do you think this concept should be explored?

Answer. Yes, the IHS mobile dental unit program enables the delivery of oral health services to small, isolated segments of the Native American Population that do not have access to fixed facilities. This includes provision of dental services to Native American children at the school sites. Presently the IHS uses 21 mobile dental units.

Question. Are there any legal or practical obstacles to the use of mobile dental units? If so, please explain.

Answer. There are no major obstacles to the use of mobile dental units but there is a problem with purchasing new or replacement units. The IHS has been informed by General Counsel, in an opinion of January 10, 1990 that specific report language is needed in order for the IHS to purchase mobile dental units using dental program funds.

Question. What locations are best served by such units?

Answer. The sites best served by a mobile dental program are small isolated groups of Native Americans or schools in remote locations attended predominantly by Native American children.

Question. What would it cost to set up a program or expand your existing program?

Answer. A mobile dental unit costs approximately $195,000 with an additional $14,000 needed for start-up supplies. The annual cost for operating the unit is $78,000 for dental staff and $7,000 for supplies. Depending on how far the unit is located away from a major facility, funds may be needed for travel and per diem.

VOLUNTEERS

Question. To what extent have you explored the possibility of using volunteer dentists in your program (like "pro bono" work by an attorney)?

Answer. The IHS dental program actively uses volunteer dentists. However, placement is limited to facilities with the clinic space and available housing to support volunteers.

Question. How have you used volunteer services of medical professionals other than dentists?

Answer. Other than dentists, the IHS dental program has used a small number of dental hygiene to provide oral hygiene services to Native Americans.

Question. Are there legal complications associated with the use of volunteers? If so, please explain.

Question. Are there legal complications associated with the use of volunteers? If so, please explain.

Answer. Yes, each volunteer dentist must have a dental license and be in good standing with his/her State Board of Dental Examiners. The individual must also sign a "volunteer agreement" which extends Tort Claims Act coverage to them while they are working in an IHS facility.

MENTAL HEALTH

Question. The request for Mental Health services is $22,798,000 and 319 FTEs, which provides for no program expansions.

On page 118 of your budget request you point out that FY 1989 staffing for mental health was less than half of the number needed to provide at the FY 1991 requested level?

Answer. IHS anticipates that an average of 60 percent of the nation-wide need for ambulatory mental health services should be met by the proposed FY 1991 mental health funding level.

Question. Isn't it true that funds spent on mental health services will contribute significantly towards reducing demands on other health services? If so, why doesn't that argue for an increase in the mental health budget?

Answer. IHS agrees that increasing and improving mental health services for Native Americans may lead to long-term savings in basic health services. However, these savings will be very difficult to quantify; they would be related to reduced use of health services for psychological reasons. Mental health service increases may also lead to reduced need for inpatient psychiatric care, reduced need for chronic care for impairments associated with psychiatric episodes (such as suicide attempts, accidents), and increased benefits from life styles based on constructive ways of handling stress (reduced rates of substance abuse, violent behavior, obesity). Benefits are also anticipated from strengthening families with consequent general improvement in participation of family members in school, work, and communities.

Due to critical staff shortage in the mental health field, the IHS has worked to identify and make full use of all accessible alternative resources through agencies and programs such as state

mental health programs, mental health block grant programs, BIA, mental health resources in the schools, other governmental agencies such as tribal governments, rehabilitation services, voluntary agencies and foundations. The Mental Health Programs have also collaborated with a member of the other IHS programs such as the Alcoholism/Substance Abuse Programs, Maternal and Child Health, CHR, and Community Health Nursing.

The Mental Health Programs received an increase of approximately $5.7 million in FY 1990 for a total budget of $21.2 million. The increased funding is being used specifically for services to children, families and adolescents, pursuant to the mandates of the Congress and the recommendations in the National Mental Health Plan. The additional funds appropriated for FY 1990 will fill approximately 100 staff positions for the Mental Health Program. About half of these positions will be funded in tribally operated programs. These represents approximately 60 percent of the estimated level of need and will permit increased access to care, increased preventive services, and permit strengthening or family and youth services.

The National Native American Mental Health Plan makes general recommendations on services, staffing levels, training, research, quality assurance and other issues. Specific action plans for implementation of these recommendations will most likely be discussed at the national Mental Health Program training conference in July, 1990. Planning will continue in follow-up meetings with IHS Mental Health Branch Chiefs and tribal representatives. Planning long-term strategies for the Mental Health Program is the goal of a National Evaluation of the IHS Mental Health Program scheduled for 1991.

Question. What did you request of the Public Health Service for the Mental Health program? What would you have done with the additional funds?

Answer. For FY 1991, IHS originally requested and additional $26 million in its submission to the PHS. Funding was requested at two levels:

The high priority request $12 million included a) $4.5 million to support additional child mental health specialists (127 FTEs) for the 134 IHS service units. (The recent report on Indian Adolescent Mental Health compiled by OTA indicated 200 additional child mental health specialists are required to meet current mental health needs of Native American children); b) $4.5 million to support mental health specialists (127 FTEs) to serve dyfunctional families; c) $2.1 million to fund community based day treatment programs for chronically mentally ill Indian persons (60 FTEs); d) $.5 million to support mental health specialists (12 FTEs) for providing increased technical assistance to communities in organizing their self help resources, and e) $.4 million to provide culturally relevant training for the Mental Health Program staff.

The lower priority funding request of $14 million included 1) $4.5 million to support additional child mental health specialists (127 FTEs), 2) $3.5 million to support additional mental health care specialists (90 FTEs) to serve Native American

Higher priority (#17 of 70): $12 million

Rank No. 17 The request of $12,000,000 and 347 positions/326 FTEs in the Mental Health Activity will provide for support of a major initiative focusing on improving mental health service to American Indian/Alaska Native children and families. The incidence of child abuse, family violence, substance abuse, and suicide among American Indian/Alaska Natives is epidemic. Youth are particularly at risk. Almost one-half of the population is under age 18 years. Less than one-half of the need for services can be met by the current numbers of mental health professional staff; only a few staff persons are trained to deliver specialized services for children. Day facilities are almost non-existent in Indian communities, forcing the chronically mentally ill to be cared for in costly inpatient residential facilities away from their families. Additional technical consultation is needed from Area Offices to assist communities in mental health program development mobilizing their resources, and building a network of cooperating agencies. The current level of funding does not allow for IHS to provide specialized training needed to increase staff abilities to assist sexually abused children, persons intent on suicide or violence, strengthening families, and providing culturally relevant mental health services. A breakdown of this request is as follows:

Explanation of Request:

	$	FTEs	Pos.	Description
	$ 4,500	127	134	Child mental health specialists
	4,500	127	138	Family mental health specialist
	2,100	60	63	Staff and operate day care programs for CMI
	500	12	12	Mental health program technical assistance
	400	0	0	Culturally relevant mental health training
Total	$12,000	326*	347	

*25% of mental health program/services are projected as Tribal Programs

families; 3) $2.6 million to fund additional community based day treatment programs for chronically mentally ill Indian persons (70 FTEs) to serve urban Native Americans, 5) $.9 million to support a training program for preparing Native American mental health technicians to serve children and families; and 6) $.5 million to provide additional training for mental health service providers.

Lower priority (#53 of 70): $14 million

Rank No. 53 The request of $14,000,000 and 367 positions/337 FTEs in the Mental Health Activity will allow for support of a major initiative focusing on capacity to serve the mental health needs of American Indian/Alaska Native children and families. Child abuse, family conflict, depression, violence, substance abuse, and suicidal behaviors are prevalent among American Indians/Alaska Native groups. Youth, who make up almost one-half the total population, have been found to be particularly at risk for mental health problems. Mental health staff available in Indian communities are sufficient for dealing with less than one-half the need for services. Some American Indian/Alaska Native families seek to improve their lot by relocating in urban centers and need special assistance in coping with the stresses incurred in relocation. The lack of day centers on reservations forces the chronically mentally ill to accept care in costly and restrictive inpatient facilities which are distant from their families and friends. American Indian/Alaska Native families need assistance in regaining their capability for being reliable sources of strength and support for family members. The high turnover in mental health staff requires continual updating of professional skills to assure cultural relevance and availability of specialized skills for assisting children, strengthening families, and building a network of supporting community agencies. A breakdown of this request follows:

Explanation of Request:

$	FTEs	Pos.	Description
$ 4,300	127	134	Child mental health specialists
3,500	99	96	Family mental health specialists
2,600	70	76	Staff and operate day care programs for CMI
2,000	50	61	Mental health specialists to serve urban American Indians
900	0	0	American Indian mental health technicians training program focused on needs of children and families
500	0	0	Culturally relevant training for mental health staff
Total $14,000	337*	367	

* 25% of mental health program/services are projected as Tribal Programs

ADOLESCENT MENTAL HEALTH

Question. Last month the Office of Technology Assessment released a report on Indian Adolescent Mental Health. The OTA found that Indian adolescents have access to only one-tenth the number of health professionals they need. --Have you reviewed the OTA report?

Answer. IHS has made a preliminary review of the OTA report, which has been available for about 6 weeks.

Question. To what extent do you agree or disagree with the report's findings?

Answer. IHS agrees with the following findings of the OTA Report:

- Mental health services for Indian adolescents are inadequate.
- Indian adolescents have more serious mental health problems than the United States all races population.
- 1-2 percent of IHS's budget is allocated to mental health services for Indians of all ages.
- Less than one mental health provider who is specifically trained to treat children and adolescents is available for every 20,000 Indian children and adolescents.
- Publicly funded state and local services are (often) either unavailable or unaccepted to Indian people.
- About 200 specially trained mental health providers should be available to provide mental health services for Indian children and adolescent nationwide.
- Any additional mental health services should be sensitive to the needs of Indian adolescents and their communities.

Question. OTA presented 8 options for correcting this situation. For the record, please provide your best professional estimate of what it would cost to comply with each of the options presented in the OTA report.

Congressional Options

Many of the steps Congress could take to improve the mental health of Indian adolescents are expansions of legislation passed in the 100th Congress (e.g., aspects of Public Laws 100-297, 100-472, 100-713) or of changes already begun in the Federal agencies serving Indians (353). Others require substantial infusions of resources.

Options to Increase Both Dollar and Staffing Resources for Mental Health Services for Indian Adolescents Within IHS

- Option 1—Increase categorical funding for IHS for mental health services. IHS's internal deliberations have determined that IHS needs at least twice the amount of funds currently allocated to mental health. If child and adolescent mental health services are to be increased, more funds than that may be needed.
- Option 2—Provide categorical funding for mental health services specifically for Indian children and adolescents.

  Increases in categorical funding would help to ensure that the mental health needs of Indian adolescents are met. However, without an overall increase in funding for IHS, these increases would decrease the flexibility of IHS to meet the other health and mental needs of Indians of all ages. Further, any expansion of services should be teamed with a qualitative change in the service approach, to provide a culturally competent, continuous system of care for children and adolescents.
- Option 3—Provide for a specific level of full-time-equivalent mental health professionals, a portion of whom are to be for children and adolescents. OTA concludes that at least one to two child- or adolescent-trained mental health professionals in each service unit seems necessary, at least initially. Ideally, child- or adolescent-trained professionals would also be available in youth services centers and schools.
- Option 4—Provide for training of non-mental health professionals (e.g., primary care physicians) nurses, and nonprofessional mental health providers (e.g., mental health technicians) to be better observers of the need for mental health sources and better providers of mental health care.
- Option 5—Mandate that a specific portion of Indian Health Professions scholarships (see 25 U.S.C. 1613a) be for students who pledge to work with adolescents.
- Option 6—Expand retention bonuses (25 U.S.C. 1616j) to mental health professionals other than physicians and nurses, and improve retention bonuses for physicians and nurses.
- Option 7—Ensure that the Indian Health Care Improvement Fund (25 U.S.C. 1621) is allocated at least in part to mental health services.

  Currently, it is "approved" but not required for the Secretary to spend Indian Health Care Improvement funds[7] for mental health services.
- Option 8—Provide a mechanism to use underutilized IHS hospital general medical beds for adolescent psychiatric patients.

Answer. IHS assumes that the "8 options" refer to the 8 options related to increasing "both dollar and staffing resources for mental health services for Indian adolescents within IHS" (page 6). Costs for these options would be:

Option 1: $25-30 million increase about FY 1990 budget level.

Option 2: $12-15 million above FY 1990 budget level.

Option 3: $25-30 million increase above FY 1990 budget level.

Option 4: $2 million per year.

Option 5: No increase; can be accomplished with existing funds.

Option 6: The FY 1990 amount allocated to IHS Areas for retention bonuses is $375,000. The cost of expanding such bonuses would depend on the amount of bonus, the amount of increases, and the number of specific disciplines added to the bonus pool.

Option 7: Non increase; could be accomplished with existing funds. Because of the program increase for mental health services in the FY 1990 budget, the Indian Health Care Improvement funds appropriated to IHS in FY 1990 were not used for mental health services.

Option 8: The costs of this option cannot currently be determined. Costs would depend on the location, number of beds, staffing and renovation requirements and other factors.

SUICIDE PREVENTION

Question. What training and technical assistance does IHS provide to the Tribes to help them establish and operate suicide intervention and prevention programs?

Answer. In late 1986, Dr. Rhoades established a Special Initiatives Team located in the Indian Health Service Mental Health Branch in Albuquerque to provide consultation and technical assistance on prevention of suicide and various forms of family violence. The Team is comprised of 4 professionals with expertise in social work, epidemiology, domestic violence, child abuse, and suicide prevention. A statement of the Team's functions is attached.

In addition, one additional mental health staff position was funded in each of 11 IHS Area offices in FY 1990 to increase the technical assistance and training available to Tribes and Service Units on various mental health program issues, including suicide prevention.

A statement of the Special Initiatives Team functions follows:

SPECIAL INITIATIVES TEAM
Mental Health Programs Branch
Indian Health Service

The Special Initiatives Team of the Mental Health Programs Branch, Indian Health Service, offers consultation on community assessment, program planning, and program development regarding suicide and other violent behaviors among Native Americans, including domestic violence, child abuse, child sexual abuse, elder abuse, and other forms of family and community violence. The Team was formed in 1986 to respond to the widespread concern of American Indian/Alaska Native communities and the Indian Health Service about the significant incidence of suicide and other violent behaviors in Native American communities. The Team is available to consult with Native American communities, Tribal organizations, IHS Service Units and/or Areas on crisis intervention and prevention strategies. The Team integrates cultural, historical, and environmental factors relevant to the specific American Indian/Alaska Native communities served.

The Special Initiatives Team provides assistance, consultation and referral on:

1. Community crisis intervention regarding suicide and other violent behaviors;

2. Program planning, development, and evaluation of community oriented programs addressing violent behaviors;

3. Development of data collection and analysis methods, including suicide surveillance systems, to document the incidence of violent behaviors and assess the effectiveness of community program efforts against violence;

4. Assessment and analysis of local needs to assist in redesigning/developing programs addressing violent behaviors;

5. Inservice community education, in conjunction with community assessments, on:

   a) suicide risk factors;
   b) dynamics of domestic violence;
   c) child abuse and child sexual abuse;
   d) suicide surveillance systems;
   e) suicide cluster community response protocols;
   f) other issues related to family violence in Native American communities.

6. Mobilization of resources to address violent behaviors, such as consultants, materials and programs, including assistance in reviewing proposals to obtain outside resources.

In response to community crisis, specifically, the Special Initiatives Team is available to make site visits and consult with tribes and service personnel from tribal and agency programs.

THERE IS NO COST TO THE TRIBE OR AGENCY FOR THESE SERVICES.

Consultation services include:

1. Assisting with community and resource assessment, information about the crisis, and methods for addressing it, with emphasis on recognition and utilization of community strengths;

2. Assisting with identification of resources for utilization by the tribe and/or IHS to address the crisis and prevent its recurrence.

After the first contact, the Special Initiatives Team usually asks for the following further information in order to plan a site visit:

1. A letter of request from:

   a) the tribal council and/or a local service provider from the community to be served that describes the specifics of the request; OR

   b) the IHS Area Mental Health Branch Chief or other Area personnel outlining the specific community(ies) to be served and the respective community leaders and service providers that can be contacted for further information;

2. Information on what actions the community has taken or would like to take to address the issues of concern;

3. Additional information clarifying the nature of the request, the key groups or individuals who need to be consulted, history of the issues to be addressed, and background information on the community, such as demographics and cultural history.

For more information about the Special Initiatives Team or to request assistance, please contact the Team Leader at the address or telephone number below:

Special Initiatives Team
Mental Health Programs Branch
Indian Health Service
2401 12th Street, N.W.
Albuquerque, New Mexico 87102

(505) 766-2873 or (FTS) 474-2873

Lemyra (Myra) DeBruyn, Ph.D.,
Team Leader
Karen Hymbaugh, M.A.P.A.
Daniel Simpson, A.C.S.W.
Beverly Wilkins
Margaret Atkinson, Team Secretary

1/24/90

Question. How are you assisting the Suicide Prevention Task Force set up by the Crow Creek Sioux Tribe in South Dakota?

Answer. The Mental Health Programs has received a request from the Crow Creek Sioux Tribe in South Dakota for assistance in establishing suicide prevention and victims of child abuse services. Arrangements have been made with community leaders for the Special Initiatives Team to make an initial site visit in September, 1990 for the purpose of working with community representatives to implement programs to deliver these services.

URBAN MENTAL HEALTH SERVICES

Question. How much of the Urban Health Program is spent on mental health services?

Answer. No monies are budgeted in the IHS Urban Health Program's budget for mental health.

Question. Did your initial budget request to the Public Health Service assume any increases in this urban area? If so, please provide details for the record.

Answer. Yes, a $2 million increase was requested for mental health services to urban Indian populations. These funds would be used to support mental health specialists (50 FTEs) to be assigned to the staff of the Urban Health Centers where they would provide mental health services to assist Native American persons to cope with various emotional problems and the stress of relocating in urban centers.

MAINTENANCE AND REPAIR

Question. The appropriation request for maintenance and repair is $12,420,000, virtually unchanged from FY 1990. You say a reasonable backlog would be about $20 million and your backlog is well over $100 million. How will you ever get your backlog to a "reasonable" level without increasing appropriations?

Answer. Funds currently received for maintenance and repair, together with repair and improvement funds in the facilities account, are primarily used to maintain the condition of the facilities and are not sufficient to reduce the backlog of identified deficiencies.

The National Research Council estimates that between 2 and 4 percent of the replacement value of a building is needed each year to maintain the current condition of the structure. This means that $20 to $40 million is needed each year by IHS just to preserve the status quo. With the large number of tribal facilities now starting to be included in the inventory of facilities evaluated for deficiencies, this number is expected to increase.

When facilities are replaced, the backlog of deficiencies associated with the old structure is eliminated in most cases. An active new construction program will help reduce the backlog.

Question. How much is added to the list of needed maintenance

and repair projects in an average year?

Answer. The National Research Council estimates that between 2 and 4 percent of the value of a building is needed each year to maintain the current condition of the structure. This means that $20 to $40 million is needed each year by IHS just to preserve the status quo. With the large number of tribal facilities now starting to be included in the inventory of facilities evaluated for deficiencies, this number is expected to increase.

In practice, we estimate that between $15 and $20 million is actually added to the list of needed maintenance and repair projects each year. This lower figure is partially due to a backlog of surveys to determine facility condition. Staffing shortages prevent all the necessary surveys from being performed on a timely basis.

In addition, the IHS is implementing a revised data system to better quantify the items added and removed from the deficiencies list each year. Identified deficiencies will be more fully reflected in the data system as the staff becomes more familiar with its use.

Question. What impact does a $12 million budget have on reducing the backlog?

Answer. The National Research Council estimates that between 2 and 4 percent of the replacement value of a building is needed each year to maintain the current condition of the structure. This means that $20 to $40 million is needed each year by IHS just to preserve the status quo. With the large number of tribal facilities now starting to be included in the inventory of facilities evaluated for deficiencies, this number is expected to increase.

Funds currently received for maintenance and repair, together with repair and improvement funds in the facilities account, are primarily used to maintain the condition of the facilities and are not sufficient to reduce the backlog of identified deficiencies.

Question. What are you doing to ensure that tribally owned facilities are funded for maintenance and repair (M&R) on the same basis as Federal facilities?

Answer. A formula is used to calculate the distribution of maintenance and repair funds for both Federal and tribal facilities. This formula includes the square footage of the facility, the class of construction of the building, the intensity of building use, the replacement cost of the structure, the percentage of the health program operating budget funded by IHS, and the amount of maintenance costs that are included in lease payments, if applicable.

Approximately 40 percent of the identified funds for each facility are given directly to the facility for daily operations and maintenance and for local projects. The remaining funds are aggregated into an area-wide account to be used for M&R projects that are beyond the capacity of a site to fund with a single year's

share. Projects for both Federal and tribal facilities are ranked together for distribution of these funds.

Question. What changes have you made to your distribution methodology to make sure there is an equitable allocation?

Answer. The Indian Health Service combines both Federal and tribal facilities, using the same criteria, into a single distribution methodology. A given site will receive the same result whether it is IHS owned and operated, IHS owned and tribally operated, or tribally owned and operated.

MEDICAID AND MEDICARE COLLECTIONS

Question. Your Medicaid and Medicare collections were just under $75 million last year. You project they will be $80 million in FY 1990 and $84 million in FY 1991. How much have you collected thus far this year in Medicaid and Medicare payments?

Answer. As of March 30, 1990 we have collected $38 million in Medicare/Medicaid Funds.

Question. Why do you believe these payments will increase by $5 million this year and by an additional $4 million in FY 1991?

Answer. The FY 90 estimated collections is based on FY 89 collections plus the percent increase in rates and a small increase in the number of eligible beneficiaries. The rate increase was approximately 5.5 percent and our data indicates approximately 5 percent net increase in number of eligibles.

Question. What were actual Medicaid and Medicare collections in FY 1987 and FY 1988?

Answer. The actual Medicare and Medicaid collections for FY 1987 and FY 1988 are as follows:

	Medicare	Medicaid	Total
FY 1987	$26,470,000	$31,814,000	$58,284,000
FY 1988	32,837,000	33,630,000	66,467,000

Question. To what extent have you explored the possibility of IHS receiving funding directly from the Health Care Financing Administration for Medicaid and Medicare (that is, an annual allocation)?

Answer. The possibility of direct funding from HCFA was the subject of a GAO letter report. This report reviewed the option of a direct transfer of Medicare and Medicaid dollars in lieu of individual claims being submitted. The Report concluded that there might be some utility in the direct transfer of funds but there are many administrative problems that will need to be overcome.

Question. What are the advantages of such an arrangement?

Answer. The advantages of such an arrangement would be

realized in the relative resource management activities involving planning, obligating or expending, and recording/reporting of these funds. This arrangement would result in the receipt of funds on an annual basis at the beginning of the fiscal year rather than the current system where funds become available at various times throughout the year as they are earned, billed, and collected. The receipt of funds in this manner would have a positive effect on our ability to develop more accurate and useful annual spending and operating plans which form the basis for the utilization of these resources as well as those received through the direct appropriation. This would improve our ability to obligate and expend funds in the most effective and efficient manner thereby resulting in improvements to both the delivery of services as well as the management of resources.

Question. What would be the drawbacks?

Answer. We cannot think of any major drawbacks at this time. However, questions or changes in the entitlement aspects might present some problems. Any major drawback might surface as the arrangement is discussed in more detail and among other interested parties.

PREVENTIVE HEALTH

Question. The FY 1991 request for preventive health appropriations is $83,248,000 and 819 FTE's. The Department supported a request to OMB higher by $7,350,000 and 24 FTE's than the current request (IHS priority rankings 12 and 13). What would you have done with the additional funds and staffing? Please provide details for the record.

Answer. The request of $7,350,000 (24 FTEs) would provide for the following initiatives:

a. Sanitation-Injury Prevention Activities $500,000 (12 FTEs)

An increase of $500,000 would provide funding for full-time injury prevention coordinators to initiate and implement, community based intervention projects.

b. Sanitation-Technical Assistance and Training for O & M of Indian Sanitation Facilities $850,000 (12 FTEs)

An increase of $850,000 would provide funding for staff and operating costs for technical assistance to Indian Tribes and communities in establishing and equipping utility organizations and training tribal staff to operate and maintain (O & M) Indian sanitation facilities.

c. Sanitation-Technical Assistance to Tribes to Ensure Compliance with New Environmental Regulations $2,000,000

An increase of $2,000,000 would provide support for the implementation of special operation and maintenance (O & M) initiatives to educate Tribal operators about new operational requirements pursuant to recently passed environmental statutes and subsequent regulations. As a

result of new legislation, Tribes now have more responsibilities compliance with the Safe Drinking Water Act, which include monitoring and treatment for newly contaminants. Tribes also have opportunities for grants from the Environmental Protection Agency (EPA) for water quality management programs and wastewater facility grants. EPA recently promulgated very strict regulations regarding reservations, these regulations will have significant impact on Tribal operations.

d. Public Health Nursing Initiatives $1,000,000

An increase of $1,000,000 was requested to provide increased HP/DP activities, enhancements by PHN services including post-natal visits, increased diabetic screening, and needed training for PHN interventions for the chronically ill patients/clients and elderly in the community setting.

e. Community Health Representatives Program-Reduce Unmet Need $3,000,000

An increase of $3,000,000 would reduce the unmet need by 5% which would provide training (3-week basic, advanced, and specialty courses), continue support of the Community Health Representatives Information System (CHRIS) as mandated by the Indian Health Care Improvement Act Amendments P.L. 100-713, and fund needed CHRs for Tribes to restore needed program activities for services to American Indians. This increase will provide an additional 129 CHR and 317,000 services.

Question. What do you estimate the investment in preventive health funding yields in terms of reduced demand for other health services?

Answer. It is difficult to estimate the total reduced demand attributable to prevention services. Prevention modalities must be examined individually to assess the benefits in terms of reduced demand for other health services. To date, no comprehensive study of prevention has been recorded in the literature. The IHS reviews the potential benefits of a particular intervention to assess whether it might be a worthwhile initiative in American Indian and Alaska Native communities. Investment in fitness activities, for example, has been a rather recent addition to the IHS program portfolio. It has demonstrable impacts on the utilization of other health services.

A recent study by the Rand Corporation was reported in the American Journal of Public Health which documented the cost of sedentary life-styles (see the following). This study demonstrated that use of outpatient services was reduced by 12 percent in a population that participated in moderate exercise. In this same group, inpatient admissions were reduced by 10 percent. Strenuous excerisers reduced outpatient visits by only 8 percent, but reduced inpatient admissions by 28 percent.

These data suggest that investment in support of exercise programs will reduce medical care utilization. These findings are

consistent with IHS experience. The Zuni Diabetes Project has demonstrated that participation in a fitness and weight loss program reduced insulin usage, hyperglycemia, and outpatient visits. These results have been reported in numerous health publications.

While there are insufficient data to document the full impact of prevention and health promotion strategies, data collected thus far indicate reductions in medical service utilization of at least 5-10 percent are an expected impact of the implementation of these strategies. The IHS will continue to evaluate the utilities of such new and emerging prevention strategies. Older strategies such as immunizations and sanitation are well known to reduce mortality and morbidity requiring medical services.

The External Costs of a Sedentary Life

EMMETT B. KEELER, PhD, WILLARD G. MANNING, PhD, JOSEPH P. NEWHOUSE, PhD AND JEFFREY WASSERMAN, MA

Abstract: Using data from the National Health Interview Survey and the RAND Health Insurance Experiment, we estimated the external costs (costs borne by others) of a sedentary life-style. External costs stem from additional payments received by sedentary individuals from collectively financed programs such as health insurance, sick-leave coverage, disability insurance, and group life insurance. Those with sedentary life-styles incur higher medical costs, but their life expectancy at age 20 is 10 months less so they collect less public and private pensions. The pension costs come late in life, as do some of the medical costs, and so the estimate of the external cost is sensitive to the discount rate used. At a 5 percent rate of discount, the lifetime subsidy from others to those with a sedentary life style is $1,900. Our estimate of the subsidy is also sensitive to the assumed effect of exercise on mortality. The subsidy is a rationale for public support of recreational facilities such as parks and swimming pools and employer support of programs to increase exercise. (*Am J Public Health* 1989; 79:975–981.)

Introduction

A growing body of literature indicates that regular exercise may prove beneficial in ameliorating the consequences or preventing the onset of a wide range of diseases and chronic conditions.[1–9] The consequent improvements in health may translate into decreased use of health services and increased job productivity, resulting in economic benefits to society at large. Conversely, those who choose to lead more sedentary lives may actually impose costs on others.

We term such costs—costs that others pay as a result of an individual's decision to lead a relatively inactive life rather than exercise—external costs. By contrast, internal costs are those borne by the individual and are presumably taken into account in decisions about how much to exercise. External costs stem from additional payments received by sedentary individuals from collectively financed programs such as health insurance, sick-leave coverage, disability insurance, and group life insurance. The premiums and payroll taxes that finance these programs are the same for sedentary and active individuals. As a result, these social welfare programs may have the unfortunate side effect of subsidizing unhealthy behavior.

The external costs of smoking and drinking can in principle be converted to internal costs by appropriate excise taxes, but it is difficult to imagine how to tax a sedentary life-style. If, however, a sedentary life-style does impose external costs, subsidies to facilities and programs that promote exercise could well save money in the long run. Such subsidies might take the form of public parks or other recreational facilities that charge no fee or have fees below cost. The greater the external costs of inactivity, the greater the possible value of exercise promotion. In order to shed further light on this issue, we have calculated the external costs of a sedentary life-style.

Our focus on external costs can be contrasted with a recent analysis of the total (internal and external) costs and benefits of exercise.[10] Under assumptions similar to ours, exercise was shown to improve health efficiently, especially for those who enjoyed exercising. That analysis should encourage people to exercise because it is good for them. In this paper, we study a different question, which is more relevant to government action—if someone exercises, is that good for other members of society?

Methods

We will briefly describe our methods and data; more details can be found in the Appendix and in a forthcoming report, available from the authors.*

Cost Analysis

We focused our cost analysis on the lifetime (as opposed to current) costs incurred by individuals who exercise to varying degrees because some of the effects of exercise persist for many years. In judging any policy with long-term effects, it is important to discount costs that are incurred in the future. Most analysts of health policies consider a 5 percent discount rate as standard, but because the proper rate of discount is controversial, we have computed results for several discount rates that span the range commonly used.[11]

In order to assess the costs associated with reduced physical activity, we made use of a hypothetical person: the "active inactive" individual. Because we were only interested in estimating the effects of exercise on external lifetime costs, we needed to hold constant the effects of other differences between those who do and do not exercise regularly; this we did by changing only the value of the exercise variable in our estimated regression equation. Thus, we use the "active inactive" individual to determine what the lifetime costs would be if the group of inactive people in our sample had instead been active throughout their lives but retained all of their other characteristics.

Our modeling approach involved tracking, from age 20 to death, hypothetical cohorts of sedentary men and women who, for the purposes of comparison, were counterfactually made physically active. To accomplish this, we developed a life table, based on exercise status, that showed the probability of surviving to each age (see Appendix).

We used the life tables to compute the difference in costs that are due to a lack of exercise. These expected net external lifetime costs, X, are given by the formula:

From the RAND Corporation, Santa Monica. Address reprint requests to Emmett B. Keeler, PhD, Department of Economics, RAND Corporation, 1700 Main Street, Santa Monica, CA 90406. This paper, submitted to the Journal March 7, 1988, was revised and accepted for publication December 29, 1988.

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*Manning WG, Keeler EB, Newhouse JP, Sloss EM, Wasserman J: The external economic costs of poor health habits. Santa Monica, CA: The RAND Corporation, forthcoming.

$$X = \sum_{t=20}^{\infty} \delta^{t-20} \cdot P(A|S)_t \cdot C(S)_t$$

$$- \sum_{t=20}^{\infty} \delta^{t-20} \cdot P(A|RE)_t \cdot C(RE)_t$$

where

δ = annual discount factor ($= 1/(1 + r)$),
$P(A|S)_t$ = probability of surviving from 20 to at least age t given a sedentary life style,
$C(S)_t$ = annual costs minus taxes and premiums at age t for those who are sedentary,
$P(A|RE)_t$ = probability of surviving from 20 to at least age t given regular exercise
$C(RE)_t$ = annual costs minus taxes and premiums at age t for those who exercise regularly.

The lifetime external costs of leading a sedentary life included in our analysis are: covered medical costs, covered work loss, group life insurance, the widow's bonus in Social Security, covered nursing home costs, pensions, and disability insurance. (Covered means paid through a collectively financed public or private policy.) Because inactive people lead shorter lives, they will pay less of the taxes and premiums that finance these programs. This differential adds to the lifetime costs borne by active people and so must be included (see Appendix).

Although the cost analyses follow hypothetical cohorts over time, the information for what happens at each age is based on recent (cross-sectional) experience for that age, and not on projections of what life will be like, e.g., in the year 2048 when those 20 years old in 1988 turn 80. Thus, we did not estimate the effects of secular and biomedical trends on the sequalae of a sedentary life-style. Instead, we used current estimates for such parameters as retirement, medical and nursing home costs, education, and life insurance arrangement. This simplifying assumption is commonly made (e.g., by the National Center for Health Statistics[12] in computing life expectancy) because the alternative is too difficult and too conjectural.

Data

The primary data source for those under age 60 is the RAND Health Insurance Experiment (HIE), which has detailed information on health habits, diseases and chronic conditions, and the utilization of medical services. Because those aged 62 or over at the time of enrollment were excluded from the HIE sample and because we wanted to estimate lifetime costs, we used data on the elderly from a 1983 supplement to the National Health Interview Survey (NHIS) that includes information on health habits, use of medical services, and work loss. We supplemented these two sources with information from the Current Population Survey (CPS), the National Medical Care Utilization and Expenditure Survey (NMCUES), the Centers for Disease Control (CDC), and other sources.

The HIE sample is a random sample of individuals observed between November 1974 and January 1982 from six sites throughout the United States (Dayton, OH; Seattle, WA; Fitchburg, MA; Franklin, MA; Charleston, SC; and Georgetown, SC).[13,14] For this paper, we used data on 3,074 individuals enrolled in fee-for-service plans who were between the ages of 20 and 59. For those age 60 and over, we used unpublished data from the National Health Interview Survey (NHIS).[15] These data are from a supplemental questionnaire on health habits that was administered to 20 percent of the respondents to the 1983 NHIS who were at least 18 years of age; this yielded a sample of 22,418 persons.

Measures of External Costs

The costs of medical services are external to the degree they are financed by health insurance. We know the fraction of inpatient and outpatient expense paid out of pocket on average for each age, so it suffices to compute the effects of exercise on total medical spending. In our analysis, we examined differences in medical expenditures between those who engaged in regular exercise and those who did not. In the case of the HIE, medical expenditure measures were based on insurance claims filed during the experiment for periods up to five years; and in the case of the NHIS, on reported outpatient visits and hospital admissions in the preceding year.

The work loss measure used in the analysis for those under age 60 is based on responses to a health diary that was filled out biweekly by HIE participants. Work missed by those surveyed in the NHIS was estimated using responses to a question concerning the amount of work missed over a two-week period. Data on wages and pensions come from the Current Population Survey.[16,17]

Measures of Exercise Status

We classified each person in the HIE data set into one of the following three categories based on his or her reported level of exercise (ascertained by a single question) at the time of enrollment into the study: those with light or no exercise (mostly sitting or walking); moderate or strenuous exercise several times a week; or strenuous exercise most days. Individuals with role or physical limitations were separated from the rest of the population to avoid attributing the effects of their health problems to lack of exercise.

The exercise categories for the NHIS sample are also based on responses to a single question: "Are you less active, about as active, or more active than others your age?" Again, we placed individuals with physical or role limitations in a separate category. Thus, the NHIS categories differ from those of the HIE in that the NHIS measures each person's perceived amount of exercise relative to the average for his or her age group, rather than the more objective HIE measure of how often the person exercises.

Other Covariates

Our estimates of the effect of exercise on the costs of medical care and sick leave controlled for age, sex, race, smoking, drinking, education, health status, family income, and family size by including them as explanatory variables in a multiple regression analysis. In the analysis of the HIE data, we also controlled for coinsurance rate and the use of seatbelts. Education and seatbelt use are proxies for differences between those who engage in regular exercise and those who do not that may affect work loss and the use of medical services but are not affected by the amount of exercise.

Results

Use of Medical Services and Work Loss

Although moderate exercisers had 12 percent fewer outpatient episodes than the group with little or no exercise, strenuous exercisers had only 8 percent fewer outpatient episodes than those with little exercise (Table 1). The effect of strenuous exercise was substantially larger for inpatient use than for outpatient care (30 percent lower inpatient use

TABLE 1—Differences in Medical Use and Work Loss in the Health Insurance Experiment (HIE) Sample

Level of Exercise	Outpatient Episodes (excluding well-care)		Inpatient Admissions (excluding maternity)		Male Work Loss[a]	
	Ratio	95% CI	Ratio	95% CI	Ratio	95% CI
Little	100	—	100	—	100	—
Moderate	88	(80, 96)	90	(71, 113)	93	(81, 112)
Strenuous	92	(81, 105)	72	(52, 100.2)	68	(47, 99)

NOTE: Entry indicates percentage ratio of use to use by those with little exercise with similar non-exercise characteristics.
[a]HIE data did not permit an estimate of work loss for females.

rate compared to a 8 percent lower rate of use of outpatient care).

We were concerned that health status could affect exercise, as well as exercise affecting health status—the syndrome expressed by, "I exercise if I feel well." Even though we controlled for role or physical limitations, we felt that perhaps our dichotomous limitation measure was too crude a measure of ability to exercise. Hence, to check the sensitivity of our results to the possibility that health status may affect exercise, we added general health and mental health indices and a count of the number of chronic diseases to our list of covariates.[16] Strenuous exercisers had a 20 percent lower hospitalization rate and used 6 percent less outpatient care than light exercisers, after these adjustments (results not shown). Thus, the magnitude of the effect of exercise on inpatient use depends on how one treats the causal relationship between health status and exercise.

For adult males, moderate exercisers had 18 percent fewer work loss days than those with little exercise, while those with strenuous exercise missed 32 percent fewer days.

We also examined the effects of lack of exercise using the 1983 NHIS for all adults (Table 2). The NHIS sample exhibited a more pronounced effect of exercise than the HIE sample. As an example, for moderate exercisers, the HIE data exhibited a 12 percent lower outpatient use rate than for never or light exercisers, in comparison to the 29 percent lower outpatient use rate in the NHIS data for moderate exercisers.

Cost Analysis

As a base case, we estimated the external costs of those who, although not physically limited, do not exercise even when young—about 12 percent of men and 20 percent of women in our population. The lifetime external costs in each category for those who classified themselves as not very

TABLE 2—Differences in Medical Use and Work Loss in the National Health Interview Survey (NHIS), 1983

Level of Exercise	Outpatients Visits		Hospital Admissions		Work Loss	
	Ratio	95% CI	Ratio	95% CI	Ratio	95% CI
Below average	100	—	100	—	100	—
Average	71	(66, 78)	66	(58, 75)	70	(51, 95)
Above average	72	(65, 80)	65	(57, 75)	77	(58, 100)

NOTE: Entry indicates percentage ratio of use to use by those with little exercise with similar non-exercise characteristics.

TABLE 3—An Inactive Person's Lifetime External Costs

	Discount Rate		
	0%	5%	10%
Costs[a]			
Medical care[b]	80	11	5
Sick leave	5	2	1
Group life	4	1	0.4
Nursing home	11	0.7	0.1
Retirement pension	128	16	4
Taxes on earnings[c]	183	27	9
Total net costs[c,d]	27	4	1
Life expectancy at age 20 (years)	56.9	21.2	13.0

[a]Measured in thousands of 1986 dollars.
[b]Excludes maternity and well care.
[c](Sum of costs) minus taxes on wages. For example, 27 = 80 + 5 + 4 + 11 + 128 − 183. Due to rounding, categories may not sum to total.

active physically are given in Table 3. For those 20–59, we used data from the HIE and included all medical expenses (except maternity and well care) and all covered work loss; for the aged, we included all medical expenses based on data from the NHIS.

For undiscounted lifetime costs, medical costs and retirement pensions are the largest external costs, and after subtracting taxes on earnings, the total net undiscounted costs are $27,000 per person (Table 3).

Costs discounted at 5 percent show much lower nursing home and pension costs. The other costs fall less because a part of them occurs early in adulthood. The discounted lifetime external costs fall to $4,000 at a 5 percent discount rate, and $1,000 at a 10 percent rate.

Table 4 shows the change in these costs if relatively inactive individuals had exercised regularly but otherwise retained their characteristics and habits (i.e., if they became "active inactive" people). As discussed in the Appendix, we modify the CDC Health Risk Appraisal (HRA) estimates of the effects of exercise on men, and combine recent evidence[5,6,10] in assuming exercise adds 1.5 years of life for men. Then, additional exercise increases total life expectancy by 300 (undiscounted) days, and reduces medical costs. Because active individuals live longer, nursing home payments increase as do pensions. Overall, however, the effect of increased exercise is to decrease undiscounted external

TABLE 4—Difference between External Costs of Relatively Inactive Persons and Those Same Individuals Had They Been Active

	Discount Rate		
	0%	5%	10%
Differences in Costs[a]			
Medical care[b]	14.8	1.8	0.6
Sick leave	1.1	0.5	0.3
Group life	0.3	0.1	*
Nursing home	−1.0	−0.1	*
Retirement pension	−7.0	−0.5	−0.1
Taxes on earnings[c]	−1.1	−0.1	*
Differences in total net costs[c,d]	9.3	1.9	0.8
Life expectancy at age 20 (days)	−300	−22	−4

NOTE: * Indicates figure is less than 0.05. All costs are external.
[a]Measured in thousands of 1986 dollars.
[b]Excludes maternity and well care.
[c](Sum of costs) minus taxes on wages. Due to rounding, categories may not sum to total.

TABLE 5—Sensitivity of Costs of Inactivity to Assumptions on Effects on Mortality (5 Per cent Discount Rate)

	Alternative Mortality Assumptions		
	Effect of Exercise is 1.5 More Years for Men	No Effect of Exercise on Mortality	HRA Model
Costs[a]			
Medical care[b]	1.3	2.0	1.2
Sick leave	0.5	0.5	0.5
Group life	0.1	0.0	0.4
Nursing home	−0.1	0.0	−0.3
Retirement pension	−0.5	0.0	−3.3
Taxes on earnings[c]	−0.1	0.0	−0.5
Total net costs[a,c]	1.9	2.5	−1.1

[a]Measured in thousands of 1985 dollars.
[b]Excludes maternity and well care.
[c]Sum of costs) minus taxes on earnings. Due to rounding, categories may not sum to total.

costs.

The discounted external lifetime costs, which are more relevant to policy, tell a similar story. At a 5 percent discount rate, increasing exercise saves $1,900 in lifetime costs. This represents our best estimate of the external costs of a sedentary life-style. By way of comparison, at a discount rate of 5 percent lifetime external costs of relatively inactive persons are greater than those of smokers ($1,000), but less than those of heavy drinkers ($4,600).[6]

Sensitivity Analysis

We analyzed the influence of alternate assumptions concerning the effects of exercise on mortality (Table 5). For convenience, the first column of Table 5 repeats the results from the second column of Table 4. The second column gives the costs assuming exercise has no effect on mortality; that is, the standard United States life table is used for both groups. Only medical costs and sick leave differ, and these are both higher for sedentary people than they would be if these same people were active.

The last column is based on the unaltered HRA results which show enormous beneficial effects of exercise on mortality (see Appendix). The mortality changes strongly affect pensions and use of nursing home care. If lack of exercise has a large effect on mortality, sedentary individuals pay much more in Social Security taxes than they live to collect. Even when discounted at 5 percent, these late-life effects mean that those who do not exercise subsidize those who exercise: the external costs of inactivity decrease as the assumed beneficial effect of exercise on mortality increases.

Next, we investigated the sensitivity of our results to other assumptions and data sets, while holding the effect on life expectancy at its middle value of 1.5 years for men. For comparison, the first column in Table 6 repeats the first column of Table 5. First, to test the sensitivity to data source, we used parameters based entirely on NHIS data (for the young as well as the old) (column 2). The major change was that the estimated effects of exercise on medical costs were much larger, which caused the external costs of a sedentary life-style to double. However, the sick leave and nursing home estimates are consistent with the HIE results.

Second, to test the sensitivity to how we estimated the health effects of exercise, we contrasted sedentary individuals with current exercisers, rather than with the sedentary people made hypothetically active (third column of Table 6). Because inactive people have other characteristics which are associated with lower medical use (for example they have less education, on average), they spend less on medical services than active people, despite their inactivity. The negative signs in the third column show that currently inactive people are not subsidized by exercisers; the first column however shows that inactivity is subsidized. In other words, if the people who are inactive started to exercise, they would pay current exercisers $1,900 more than the $700 they currently pay. The main reason inactive people do not impose higher external costs is that they die earlier.

The base case included all medical use, but some of the difference in medical use between inactive persons and "active inactive" persons may be unrelated to exercise. As a sensitivity test, we therefore narrowed the definition of medical services to those thought to be related to exercise and other habits. The fourth column gives the resulting medical costs when this restriction is imposed. (Here, we returned to the inactive group made hypothetically active.) Medical and total external costs fall by roughly a factor of two.

Fourth, many people become less active later in life. We therefore tried to estimate the costs that such a switch to inactivity impose on others. In doing so, we assumed that these people were similar to moderate or heavy exercisers up to age 50 and then became sedentary. Because the differences

TABLE 6—Sensitivity of Costs to Assumptions at 5 Per Cent Discount Rate

	Alternative Assumptions					
	Inactive Individuals If Active	All NHIS Data	Active Individuals	Narrow Definition of Medical Costs[b]	Switch at age 50	Total Costs
Costs[a]						
Medical costs[c]	1.8	4.4	−0.4	0.9	1.1	2.6
Sick leave	0.5	0.3	0.4	0.4	0.1	1.3
Group life	0.1	0.1	0.1	0.1	*	0.1
Nursing home	−0.1	−0.1	−0.1	−0.1	−0.1	−0.1
Retirement pension	−0.5	−0.5	−0.6	−0.5	−0.4	−0.5
Taxes on earnings[d]	−0.1	−0.1	0.1	−0.1	*	−0.7[e]
Total net costs[a,c]	1.9	4.3	−0.7	0.8	0.8	7

NOTE: * Indicates figure is less than 0.05. All costs are external, except last column.
[a]Measured in thousands of dollars.
[b]Only costs in diagnoses that are "probably related" to exercise.
[c](Sum of costs) minus taxes on earnings. Due to rounding, categories may not sum to total.
[d]Earnings, not taxes on earnings.

due to a sedentary life-style start late in life, sick leave and medical costs effects are diluted by discounting (column 5). At a 5 percent discount rate, external costs are $800 larger than if this group exercised throughout their lifetime.

Finally, the last column in Table 6 gives data on total costs rather than external costs; that is, it includes the portion borne by the person. Total costs are by definition higher than external costs in areas in which people pay part of the costs themselves. The costs shown in the last column amount to $4,000 but that figure does not count the cost to the sedentary person and his or her family of premature death and disability. Although this latter cost is probably larger than any of the costs shown, it is hard to quantify, so we have left the total cost figure in the lower right hand corner as a question.

Discussion

Because there has been no direct trial of the lifetime costs of not exercising, we have had to use several observational studies to estimate the components of costs. The main uncertainty in our overall estimate of lifetime costs comes from the validity of the assumptions, rather than statistical noise. Therefore, we have included extensive sensitivity analyses that show how our computed costs vary with the assumptions.

If sedentary individuals were more active they would live longer and reduce the costs they impose on others. The reduced costs come from lower covered medical and work loss costs associated with an active life-style. The higher taxes paid by active individuals over their longer lifetimes more than offset the additional pension payments received by active people as a result of their increased life expectancy. The effect of exercise is appreciable; for example, the external costs of a sedentary life-style are almost double the external costs of smoking.

In contrast to drunken drivers, the costs that sedentary people impose on others are indirect; sedentary people do not drive their armchairs into innocent bystanders. Most of these external costs are captured in the model, but we assumed there were no effects of inactivity on early retirement. In a study of those obtaining permanent disability Social Security benefits in 1975, 38 percent of retiring workers ages 55–64 had cardiovascular disease as their primary diagnosis.[19] Assuming the year 1975 was typical, we can estimate that three per cent of those ages 55–64 retire early because of cardiovascular disease, to which lack of exercise can contribute. Early retirement has large external costs associated with it, both because it decreases taxes paid and increases pension and disability insurance payments. If a sedentary life-style increased the probability of early retirement, our estimates of the external costs of a sedentary life-style are too low.

One of the largest uncertainties in our calculations concerns the degree of causality in the link between exercise and health status. Although we controlled for physical limitation and several other differences between exercisers and non-exercisers, we cannot be certain that the association we have found between inactivity and health-related costs is completely causal. In principle, this issue could be settled by a randomized experiment of the effects of exercise promotion, but size, cost, ethics, and long-term adherence problems make such an experiment impractical. The issue of causality remains to plague any observational attempt to estimate external costs of inactivity.

The association between exercise and mortality raises the same chicken-and-egg issue. Many epidemiological studies have shown dramatic differences in future health between those who are sedentary and those who exercise.[3,4,20] These studies have controlled for age and other health habits. Still, it is hard to rule out the possibility that heavy exercisers are inherently more healthy than sedentary people in unmeasured ways, so that inactive persons who take up exercise will not enjoy the gains in life expectancy that models based on those studies would predict. If exercising has no effect on mortality and morbidity, then there are no benefits to making sedentary people more active. Because of this uncertainty, the revised HRA model 3.0 says only that exercise is probably good for you, and does not attempt to quantify its life-extending benefits.

Nevertheless, individuals contemplating a switch to a more active life-style will probably benefit from doing so.[5] According to Paffenbarger and Hyde,[4] the time spent walking is just returned in later life (undiscounted), and joggers who burn calories twice as fast as walkers can get double their exercise time back in increased life expectancy. However, the time given up to exercise is now, while the life extending benefits of exercise accrue in the future. Hence, if people care more about time now than time later,[11] they should engage in exercise that they either enjoy or has other benefits for them (e.g., increasing their feeling of well-being, physical appearance, etc.).

From a policy perspective, our results provide an economic rationale both for government spending on recreational facilities that encourage a more active life style, as well as for employer spending on worksite wellness programs that encourage exercise. About one-sixth of the population is sedentary but not physically limited. Whether subsidies to encourage exercise would induce enough additional exercise among that group to justify their costs is an issue we must leave to others; if our estimate of $1,900 in benefits per active person is approximately correct, a relatively small additional percentage of exercising would be enough to justify a subsidy, especially because the majority who already exercise would also derive benefits from such facilities and programs.

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APPENDIX
Further Details of Methods

1. Basis of Life Tables

We constructed an abridged life table using 1980 data on national mortality and the 1984 Centers for Disease Control's version of the Health Risk Appraisal (HRA) program developed by Robbins and Hall.[21] The HRA was used to adjust survival rates to reflect differences in the relative risks of lying between people who exercise and those who lead more sedentary lives.

Unfortunately, some problems in the 1984 HRA model's treatment of exercise lead to implausibly large estimates of the effects of exercise. For example, according to computations that we performed using the HRA model, men who switch from a sedentary life style to exercise will live nine years longer, almost double the computed effects of not smoking! This estimate is implausibly large for two reasons: 1) the HRA fails to account for the fact that better health may lead one to exercise, rather than vice versa; and 2) the adjustment made to the HRA model's exercise risk multipliers for age is inadequate, which makes the computed effects of exercise for older males too large. These two problems were compounded by the fact that our measures of exercise do not match well with the HRA categories. For example, because we had no information on past exercise habits, we had to assume that current patterns represent lifelong patterns. Yet exercise habits are not particularly stable.

Given these problems, we decided to estimate the external costs of exercise in three ways. As an upper bound on mortality effects, we used the unaltered results of the HRA model. For a lower bound, we assumed that exercise had no effect on mortality whatsoever, so that external costs arose only from differences in medical and sick-leave costs for sedentary and active people. For our best estimate, we uniformly altered the age-specific relative mortality risks of not exercising in the HRA model, so that male exercisers lived one and a half years more than male nonexercisers. This value was derived from several recent studies.[5,6,10] We did not adjust the mortality values for women because very little is known quantitatively about the effects of exercise on women and because the effects of exercise in the HRA model were not nearly as large as for men.

2. Assumptions on Collective Financing

To simplify the calculation of how much active and inactive people pay annually to finance these programs, we assume that each pays a given proportion of earnings, where the proportion is just enough to finance these programs (10.3 percent of earnings, at a 5 percent rate of discount). The assumption of proportionality is approximately correct for publicly financed goods and services,[22] and is also probably correct for privately financed pensions. Private premiums for health insurance are regressive, but this is somewhat offset by the benefits of Social Security payments and Medicaid financing for nursing home services being progressive.

3. Medical Care Services and Insurance Coverage

We examined the use of medical care services (excluding dental care) by those who exercise varying amounts. In the case of the HIE (RAND Health Insurance Experiment), medical expenditure measures were based on claims filed during the experiment for periods up to five years, and the individual's pre-experimental insurance coverage was used to estimate external costs. In the case of the NHIS (National Health Interview Survey), medical measures were outpatient visits and hospital admissions in the preceding year. Visits and admissions were converted to expenditures using average prices from the National Medical Care Expenditure Survey (NMCES),[23,24] and data on insurance coverage of the non-elderly from NMCES were used to estimate the portion of medical costs that were external.

In our analysis, we examined differences in medical use between those who engaged in regular exercise and those who did not. Because some of the observed differences in medical care use may not be caused by the amount one exercises, we made three corrections:

- We excluded maternity services because it seemed implausible that exercise was causally related to the decision to have children. (We also excluded well care because it is generally not covered by insurance.)
- To increase the chances that the difference in use of medical services is caused by differences in the

INDIAN HEALTH MANPOWER

Question. The Indian Health manpower program provides scholarships to train health professionals. The request for this program is $12,600,000, which is the authorized level and an increase of more than $3 million above the FY 1990 level. Does this program include Dentists?

Answer. Yes, the Indian Health Service Scholarship Program support 14 students in Dental School and 4 students in pre-dentistry programs during the 1989-90 academic year.

Question. What is the current IHS manpower shortage of medical doctors? What about dentists? Nurses?

Answer. The current manpower shortage for medical doctors is approximately 200, for dentists it is 38, and for nurses it is 324.

Question. How many scholarships do you estimate you will be able to fund in each of these fields (doctors, dentists, nurses) with the $12,600,000 requested in FY 1991?

Answer. Of the $12,600,000 budgeted for Indian Health Manpower in FY 1991, approximately $10,027,000 is designated for scholarships. This funding level will support approximately 643 total scholarships. Of this amount, approximately 60 will be awarded to American Indian and Alaska Native Medical students, approximately 30 will be awarded to American Indian and Alaska Native Dental students, and approximately 290 scholarships will go to American Indian and Alaska Native Nursing students. The remainder of the scholarships will be distributed among the other health manpower disciplines as determined by the IHS according to legislation and regulations.

FUNDING FOR SCHOLARSHIPS

Question. You have asked that funding for scholarships be converted from an annual appropriation to a "no year" appropriation. Why do you need these funds to remain available for more than one year?

Answer. Due to the application and award process of the scholarship program, and the fact that annual appropriations are obligated at the end of the fiscal year, it would be beneficial to the program to have a "no year" appropriation so that funds could be carried over to the next fiscal year for obligation. Each year collars are obligated for students who withdraw from the scholarship program for various reasons and for students who were obligated more funds than necessary for that particular year of their education. If the IHS had the opportunity to deobligate the funds for these individuals and carry the funds over to the next application and awards cycle, more students could be awarded scholarships.

Question. What amount of funds are you unable to use each year due to the annual appropriation restriction?

Answer. The Appropriation Language for the FY 1990 Appropriation contains the following" "...Provided further, that funding contained herein, and in any earlier appropriations Acts for scholarship programs under section 103 or the Indian Health Care Improvement Act and section 338G of the Public Health Service Act with respect to the Indian Health Service shall remain available for expenditure until September 10, 1991...." The language reserves any restriction or limitation of time for the use of the scholarship funds. For instance, the inclusion of "...and in any earlier Appropriations Acts..." will always make available all unobligated scholarship funds from previous fiscal years.

TRIBAL MANAGEMENT

Question. On what basis do you assume you will have the need for 84 grants in FY 1991?

Answer. Based on the average support level of a tribal management grant in FY 1989, it is is anticipated that 84 grant awards can be funded from the President's proposed 1991 Budget for tribal management.

Question. How many requests for tribal management grants were received by IHS in FY 1989?

Answer. The total number of applications reviewed was 99.

Question. How do you decided which ones to fund?

Answer. Tribal management grant applications are reviewed by objective review committee according to specific criteria published in the grant program announcement. The objective review comaittee's recommendations of approval of disapproval of grant applications are reviewed by the program officials. Those proposals recommended for funding are then submitted to the Associate Director, Office of Tribal Activities, for concurrence and final authorization for grant award.

Question. What type oversight does IHS provided to grantees?

Answer.- Routine monitoring of tribal management grants is performed by project officers located in the IHS Area Offices. Grantees are required to provided narrative progress reports and financial reports on a quarterly basis. These reports are reviewed by both the project officers and IHS Headquarters program and grants management staff.

If problems are identified, the grantee is contacted, technical assistance provided, and closer monitoring implemented to ensure resolution. As necessary, IHS staff have conducted site visits to provided specific technical assistance.

In addition to routine and specific monitoring of individual grants, the IHS staff has conducted grant proposal writing workshops and grant administration courses to assist tribes and tribal organization to write better proposals, to understand grant requirements, and to administer projects and Federal funding more effectively.

DIRECT OPERATIONS

The request for the direct operations program, which funds IHS management, is $49,936,000 and 709 FTEs, an increase of $5,452,000 and 40 FTEs over the FY 1990 level.

Question. Why do you propose such a large increase in administration when your basic health delivery programs can't even keep pace with inflation?

Answer. The management of the IHS has been a focus of the DHHS and the Congress, particularly since its elevation in 1988. This focus has raised serious concerns that need to be addressed and this increase is sought to address the most critical managerial staffing needs. The need to strengthen IHS management is indicative of the pressures brought on not only by the increasing size of the IHS program, but, similar to other public and private health care providers, the increasing complexity of providing quality health care within a national system which is under tremendous financial stress. Since 1983 the program budget of the IHS has grown by over 30 percent, while the budget activity supporting management operations has increased by less than 3 percent. If the IHS is to continue to provide quality services to its service population, attention must be given to the administration and management systems which support the delivery of care.

Question. What specifically will you do with the $2 million and 40 FTEs you have requested for your "Quality Management Initiative?"

Answer. The IHS Quality Management Initiative is a strategy designed to strengthen the management of the IHS. Central to this strategy is the identification and resolution of management problems. Priority is placed on those problems which affect the IHS'capability to assure the delivery of the highest level of care appropriations will enable. The $2 million and 40 FTEs requested will meet critical staffing needs in financial management, procurement management and internal control and oversight.

Question. Where will these 40 people be located?

Answer. These 40 FTEs are planned to be located in the Headquarter's offices in Rockville, Maryland.

Question. Why do you need an increase of $339,000 for programming services and computer training for Headquarters and Area staff? How much is in the base for these activities (before the $339,000 increase)?

Answer. An increase of $339,000 for contractor programming services and computer training is needed to support the management information user requirements which are primarily administrative in nature and are not supported through any other effort.

The base is $1,000,000 which was requested in FY 90 and has allowed the IHS to initiate automation into Headquarters East and has provided for computer systems hardware, local area networking,

and technical support training. Programming support funds were note included in this base amount.

INITIAL RESERVES

Question. In FY 1990 IHS has set aside "initial reserves" of $40,655,000 for special physician pay, change of station costs etc.

What amount of funding was reserved in FY 1989? How much of that amount was needed?

Answer. The FY 1990 explanation of initial reserves of $40,655,000 was an estimate at the time the budget was being finalized and printed and therefore did not represent the final decision. This amount was subsequently revised to $31,060,000 which compared to FY 1989 reserves of $31,246,000. The total amount was utilized as planned.

Question. What do you do with reserved funds if they are not needed for the special purposes for which they have been set aside?

Answer. In late July of each year, an analysis and determination of the need for the remaining balances is made. Any remaining balances are allocated on the basis of need thereby continuing equity, as the influencing factor.

Question. When do you decide to distribute any excess reserve funds?

Answer. The excesses, if any, are distributed before August 15 of each fiscal year.

Question. What initial reserves do you anticipate for FY 1991?

Answer. We anticipate the reserve will be approximately the same as FY 1990.

COMMUNITY HEALTH AIDE PROGRAM

Question. What is the role of the community health aide in Alaska?

Answer. The Community Health Aide's (CHA) role is designed to extend primary health care services to Alaska Natives living in remote Alaska villages. These villages are typically accessible only by boat or by plane and located great distances from the nearest modern health care facilities. The CHAs are the focus of primary health care in rural Alaskan villages. The CHA is the first level of contact with the health care delivery system for rural Alaska Natives. The CHA examines and treats each patient according to protocols outlined in the Community Health Aide/Practitioner Manual or as directed by the supervising physician via telephone or radio. Most patients are successfully managed by the CHA in the village. Serious or complicated cases are referred to the physician and transported to the nearest hospital if necessary. CHAs provide care to acutely ill patients, provide emergency care, perform prenatal care, well baby checks,

immunizations, and other preventive activities. They work with numerous Federal, State, and local providers of service. They assist in the investigation and containment of communicable disease. In addition, they manage the clinic pharmacy, medical records, supplies, equipment and facility. The CHAs ensure that health care is available, culturally acceptable, and accessible.

Question. How many community health aides does IHS have?

Answer. The Indian Health Service (IHS) does not directly employ Community Health Aids (CHAs). The Community Health Aide Program (CHAP) is a component part of 16 contracts which the IHS has with various regional Alaska Native Corporations. Collectively, the contractors currently employ approximately 405 CHAs.

Question. How many are planned for FY 1991?

Answer. IHS has no plans to increase the number of CHA's in FY 1991.

Question. At what level is this program funded in FY 1990?

Answer. The program funding for FY 1990 is $17,860,000.

Question. What amount is requested for FY 1991?

Answer. The program funding requested for FY 1991 is $18,670,000 which is the FY 1990 level plus 5.6% inflation.

Question. If, higher, please explain how you would have distributed the additional staffing and funding.

Answer. Upon receipt of new funds in the past two fiscal years, the Indian Health Service (IHS) distributed them using a methodology developed by the IHS and various Community Health Aid Program (CHAP) contractors. Prior to IHS distributing the new funds, the respective contractors have been required to indicate the number of additional employees, (Community Health Aids, Coordinator Instructors, Supervisor Instructors or Training Instructors, etc.), and other changes they intend to add to their program. The staffing mix is determined by the contractors with IHS concurrence.

The IHS has requested that the individual contractor's scope of work be modified to reflect the program changes made necessary by the receipt of the new funds. The distribution methodology used in the past will be used to distribute any additional funds received.

Question. What percent of need is being met by the current Community Health Aide Program? How many additional aides would you need to meet 100% of need?

Answer. The current level of need being met is 67 percent (FY 1990), with a budget of $17.68 million. An additional $8.82 million is needed to fully fund CHA positions are needed.

COMMUNITY HEALTH REPRESENTATIVES

Question. How do Indian community health representatives differ from community health aides in Alaska?

Answer. The Community Health Representatives (CHR) program differs from the CHA Program in that CHRs provide such care as quality outreach health care services and health promotion/disease prevention services within their communities while CHAs provide direct primary care under rigidly defined clinical protocols in tribally operated clinics.

Question. Did you ask for additional community health representatives in your initial request to the Public Health Service? If so, how would they have been distributed and what would have been the additional cost?

Answer. Yes, the IHS requested additional resources in three separate increments. The first increment represented an increase of $3,000.000 and would have provided for training including 3-week basic courses as well as specialty courses. In addition, these resources would have supported the Community Health Representatives Information System (CHRIS) and would enable IHS to increase the number of community health representatives (CHR) by approximately 129. The second increment represented and increase of $11,663,000. This increment would have provided additional resources for CHRIS and supported approximately 503 additional CHRs. The third increment of $58,413,000 would have funded the CHR program 100 percent. This would have provided for an additional 2520 CHR positions; $6,196,000 additional visits; required training, support for CHRIS; and special community-based health promotion/disease prevention initiatives.

Question. What percent of need is being met by the current Community Health Representatives program? How many additional representatives would you need to meet 100% of need?

Answer. Thirty-one percent of the CHR program need is currently being met. The IHS formula of 1 CHR per 500 population and 1 CHR supervisor per 5 CHRs was applied to the IHS projected 1991 census population of 1,823,649 to determine the total need of 4376 CHR positions. This total includes an additional 2,965 positions.

UNOBLIGATED BALANCES

Question. What amount of funding is available for reprogramming from facilities projects completed or near completion? Please provide a breakdown for the record.

Answer. Three completed projects currently have funds totaling $163,840 available for reprogramming:

Tahlequah, OK Hospital	$ 56,620
Anadarko, OK Health Center	27,220
Chinle, AZ Quarters	80,000

Three additional projects are expected to have funds totaling approximately $1,147,848 available for reprogramming in the near future:

Bethel, AK R&I	$200,243
Rosebud, SD Hospital	753,757
Ft. Duchesne, UT Health Center	194,605

Reprogramming is planned for the above funds as follows:

Mt. Edgecumbe, AK R&I	$200,243
Wagner, SD Hospital	303,000
Rosebud, SD Old Hospital	450,757
Kayenta, AZ Quarters	358,445

APPORTIONMENT OF INDIAN HEALTH SERVICES FUNDS

Question. The Committee understands that IHS has received separate apportionments from OMB for Federal and tribal programs, rather than a single apportionment for Indian Health Services as appropriated.

—Have you appealed these separate apportionments? If so, what has been OMB's response?

Answer. The IHS did appeal the OMB decision, but OMB prefers that funds continue to be managed, tracked and accounted for separately.

Question. Have you had to modify your administrative systems in any way to accommodate separate apportionments? Please explain.

Answer. The major change, which has been completed, was the realignment of the accounting system to report data accordingly.

Question. What requirements do separate apportionments impose on the Headquarters and Area Offices?

Answer. The major requirement is the need to reapportion funds when adjustments are required by Area Offices based on changing Tribal program priorities. To date, no reapportionment of funds has been necessary for this reason in FY 1990.

Question. For the record, please provide a copy of any appeals to the Office of Management and Budget with respect to these separate apportionments, including any supporting materials provided to OMB. Also provide OMB's response to your appeal.

Answer. The following papers provide the documentation.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

Mr. Dennis J. Fischer
Deputy Assistant Secretary, Finance
Office of the Secretary
Department of Health and Human Services
Washington, D.C. 20201

Dear Mr. Fischer:

As noted in our February 2, 1989, meeting on the Indian Health Service (IHS) apportionment and accounting systems and again in a February 3, 1989, letter to Dr. Rhoades, we stand ready to assist the IHS in maintaining flexibility to achieve an equitable resource distribution. We were of the view that IHS' flexibility concerns were of some urgency but we have yet to receive the information promised as of February 2, 1989.

The Indian Self-Determination and Education Assistance Act Amendments of 1988 (Section 104, P.L. 100-472) require HHS to report annually to each tribe the Federal expenditures and staffing for programs directly serving that tribe. Section 205 of P.L. 100-472 also requires annual reporting to each tribe of the funds available through self-determination contracts. The Tribal and Federal Indian Health Administration financial plans represent the minimum accounting requirements to fulfill these congressionally mandated reporting requirements. As a practical matter, we understand that HHS has plans to develop accounting requirements far beyond those in the financial plans.

We are sensitive to the concerns regarding IHS financial accountability raised by various tribes and tribal organizations during our continuing consultations with tribal leaders and wish to be responsive.

In the absence of express concerns, we are revising the Tribal and Federal Indian Health Administration financial plans to enhance financial management flexibility.

We stand ready to make additional financial plan changes upon receipt of the IHS response.

Sincerely,

David K. Kleinberg
Deputy Associate Director
Health and Income Maintenance Division

Enclosures

MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

89 FEB 6 P2 06

FEB 03 1989

EXECUTIVE
SECRETARIAT

Dr. Everett R. Rhoades
Director, Indian Health Service
5A-55 Parklawn Bldg.
5600 Fishers Lane
Rockville, MD 20857

Dear Dr. Rhoades:

As I noted in our February 2, 1989, discussion on Indian Health Service (IHS) financial plans, we will assist you in maintaining financial management flexibility. You indicated that IHS would identify specific ways that the financial plans may inhibit flexibility while maintaining the accountability needed under the Indian Self-Determination Act and Indian Health statutes. Promptly, we will address those problems identified as impeding management flexibility -- particularly the desire for sub-area adjustments between funding for tribal and direct Federal health services.

I look forward to receiving the explanatory material and data on the IHS resource allocation mechanisms we discussed, appropriations language enhancing the availability of third party allocations for indirect costs, and clarification of steps we could take to assist you in determining IHS indirect cost calculations.

Sincerely,

David K. Kleinberg
Deptuy Associate Director for
Health and Income Maintenance

cc: Dennis Fischer
Bill Beldon
John West

DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Secretary

Washington, D.C. 20201

Mr. David K. Kleinberg
Deputy Associate Director
Health and Income Maintenance Division
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Kleinberg:

In my November 25, 1988 letter transmitting a reapportionment request for the Indian Health Services appropriation, I discussed the problems caused by your action splitting the account into two separate apportionments (for Tribal and Federal Health Administration). This Department is supportive of a proposed budget structure for these major activities. However, our administrative control of funds process is predicated on the fact that apportionments, as part of the budget execution process, are based on enacted appropriations, not proposed budget structures. Chapter 2-10-90 (B) of our Departmental Accounting Manual (recently reviewed by your office) states that

> Total amounts requested for programs...must conform to the amounts appropriated as presented in the budget documents.

I want to make it perfectly clear that your reapportionment action imposes "controls" that exceed our current capacity to support. Splitting this appropriation into these "controls" which have been explicitly denied by Congress (a denial which was implicitly accepted by the Executive Branch by the signing of the Department of Interior and Related Agencies Appropriations Act) ignores these facts and gives the impression that administrative controls exist where in fact they do not.

You also asked me to detail my concern about an error associated with your action splitting the Indian Health Service apportionment and advise you why it is material. 31 USC 1341 defines any "obligation exceeding an amount available in an appropriation" as a violation of the Antideficiency Act. Apportioning more than is available through an appropriation could lead to an overobligation of the appropriation. Overobligation in any amount is a violation and we consider any violation of the Antideficiency Act material. My concern is that splitting appropriations into multiple apportionments (an action we view as counter to OMB Circular A-34 instructions) creates an unnecessary risk of a violation. Fortunately, in this case my staff found the error and initiated corrective action.

Sincerely,

Dennis J. Fischer
Deputy Assistant Secretary, Finance

cc: Bill Beldon
John West

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

DEC 16 1993

NOTE TO DENNIS FISCHER

FROM: David Kleinberg DRK

RE: IHS Apportionments

This is consistent with the FY90 Budget, the recently enacted Indian Self-Determination amendments, and the data that have been and should be available under the requirements of A-34.

You nave reiterated your concern about an "error" associated with acting upon a past IHS apportionment which does not appear to be material. Could you please detail your concern and advise me why it is material?

Attachment

DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Secretary

Washington, D.C. 20201

NOV 25 1988

Mr. David K. Kleinberg
Deputy Associate Director
Health and Income Maintenance Division
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Kleinberg:

The enclosed Indian Health Service reapportionment request reflects the recombination of this account into a single SF 132 as you have approved in the past. I believe your action splitting this account into separate apportionments for Tribal Health and Federal Health is contrary to the action taken by Congress on the FY 1989 appropriations and unnecessarily burdensome.

Both the House and the Senate rejected the Administration's proposed restructure of this account and the President concurred by signing the Department of the Interior and Related Agencies Appropriations for FY 1989 (Public Law 100-446). The pertinent references can be found in House Report 100-713, page 93 which states: "The Committee has not agreed with proposed bill language which would have identified a specific amount for tribal contractors" and Senate Report 100-410, page 103 which states "The Committee concurs in the House rejection of the administration's proposed bill language which would have identified a specific amount of funding for tribal contractors."

Implementation of two apportionments would require IHS to establish a separate allotment/allowance structure for tribal contracts and to realign two months of FY 1989 data to that structure. Since tribal contracts cover four major budget activities and 14 sub-budget activities in 12 IHS Areas, this would require the establishment of approximately 166 separate allowances and other administrative subdivisions. In addition, having separate apportionments would require IHS to request a reapportionment every time the amount for "section 638" contracts decreases.

Your approval of a single apportionment also reduces the possibilities for errors created whenever multiple documents cover single appropriated amounts (e.g., OMB's recent action splitting this Indian Health Services apportionment resulted in an incorrect amount being apportioned).

I would appreciate your personal review of this matter and hope your favorable action will consider the actions of the Members and staff of the Interior Appropriations Subcommittees and the burdensome workload created by the separate apportionments.

Sincerely,

Dennis J. Fischer
Deputy Assistant Secretary, Finance

Enclosure

DEPARTMENT OF HEALTH & HUMAN SERVICES — Public Health Service

Memorandum

te NOV 18 1988

rom Director
Office of Resource Management/OM

ubject FY 1989 Apportionment for Indian Health Service (IHS)

o Deputy Assistant Secretary, Finance, OS

I am submitting a reapportionment request for the IHS FY 1989 Appropriation. I am asking that you request OMB to apportion these funds in the same manner as they have in past fiscal years - one apportionment. As you know, the apportionment system is intended:

1) to achieve an effective and orderly use of available authority,

2) to reduce the need for supplemental or deficiency appropriations, and

3) to prevent an Antideficiency Act violation.

I believe that this purpose is best achieved through apportioning the funds as Congress appropriated - by account. By apportioning tribal contracts separately, OMB has gone against the intent of Congress as stated in House Report 100-713, page 93:

"The Committee has not agreed with proposed bill language which would have identified a specific amount for tribal contractors."

The Senate concurred in the House rejection of the proposed bill language (Senate Report 100-410, page 103).

Furthermore, to implement two apportionments requires IHS to establish a separate allotment-allowance structure for tribal contracts and to realign two months of Fiscal Year 1989 data to the new allotment-allowance structure. Since these $253 million of tribal contracts cover four major budget activities and 14 sub-budget activities in 12 IHS Areas, this will require the establishment of approximately 166 separate allowances and other administrative subdivisions. In addition having separate apportionments will require IHS to request a reapportionment every time the amount for 638 contracts changes.

John C West
John C. West

Attachment

Dennis: This could cause a lot of trouble with Interior appropriations Subcommittee

John

...ND HUMAN SERVICES

MAR 16 1989

Mr. David R. Kleinberg
Deputy Associate Director for
Health and Income Maintenance
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Kleinberg:

I am responding to your letter of February 3 summarizing our meeting of February 2. You requested information on 2 issues:

1. Indirect cost issues.

2. Expanded explanation how the revised apportionment concept impedes management goals and objectives.

We will respond to the indirect cost issues by separate transmittal.

This letter expands on our appeal of your decision to apportion the Fiscal Year (FY) 89 appropriations into a Federal Health Administration account and a Tribal Health Administration account. To apportion the funds in other than a single account at this time will be disruptive to the system. As you suggested, I am expanding on our comments and pointing out other factors that should be considered.

The leadership of every Indian Health Service (IHS) Area Office, including Financial Management Officers as well as Tribal leaders who commented on this change, expressed their opposition to managing the FY 1989 appropriation in accordance with the concept of separate accounts for Federal and Tribal administration. The consensus of this group suggests that the effect on IHS operations would:

- be cumbersome to manage;
- require significant numbers of additional full time equivalents (FTEs);
- be counterproductive to the IHS goal of assuring that tribes are able to exercise their right of self-determination;
- impede priority setting;
- obstruct efforts to raise the health status of the American Indians and Alaska Natives and
- prevent efforts to achieve equity in the allocation of resources.

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PRM	Kusunick	3/15	IHS	Mashburn	3/16/89			
		3/						
		3/						

*U.S. GPO: 1988-214-488

ADDITIONAL FTEs/CUMBERSOME PROCESS

The additional FTEs associated with the required actions to insure that IHS is in compliance with all policies and procedures that control the apportionment and reapportionment process and to meet the requirements of the administrative fund control system will be significant and costly. It is a difficult and complex task to meet the requirements of the administrative fund control system. Since the accounting system must support the apportionment request, it is necessary to create new allowance numbers along with common accounting numbers and insure that all transactions are properly and accurately recorded in the accounting system including accounting entries already recorded in the system. This will be both time consuming and costly. The implementation of this fundamental change would be difficult under the most ideal circumstances; however, to implement this change during the middle of a fiscal year is unwise for obvious reasons and could result in excessive and even irreconcilable errors. Moreover, our current accounting system can, with minor adjustments, accurately reflect costs of the respective Federal and Tribal health systems without the need for separate accounts.

To insure that adequate supporting documentation for the apportionment request is on hand, it will be necessary to obtain from the IHS Area Offices and/or Service Units copies of all or parts of official procurement instruments that cite amounts committed for obligations such as the face sheets of each tribal contract and grant. This process would be repeated every time a proposed modification was being discussed and would serve as the basis for the need for a reapportionment request. For example, a tribe's request for personnel under the Intergovernmental Personnel Act (IPA) would result in transfers to the Federal account and conversely tranfers to the Tribal account could be the result of special one time allocations of contract health service funds. This will obviously generate a greatly increased demand on IHS Area, Service Unit, and headquarters staff through the added processes that call for the creation, compilation, and handling of a substantial increase the number of documents. This change would also add cost through the necessary adherence to the records management process by meeting the need for additional filing equipment and accompanying space.

TRIBAL PARTICIPATION

Because of the added administrative processes and procedures and the resultant delays, the apportionment change would undoubtedly discourage tribes from seeking to initiate or expand their contractual arrangements with IHS, and therefore would be counterproductive to the IHS and tribal efforts to enhance self-determination activities.

In addition, the Indian Self-Determination Act amendments of 1988 provide for the retrocession of any contract entered into pursuant to this act. The concept of separate apportionments for Federal and Tribal activities introduces an administratively imposed barrier to the Indian Tribes' ability to exercise their legal right of retrocession.

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*U.S. GPO: 1988-216-488

The IHS is committed to employing the principle of tribal consultation on such matters as changes in program content or substance and changes in management or administration practices or procedures. Therefore, the IHS strongly urges that the decision to change the concept of apportioning funds be deferred until ample tribal consultation has been sought and received.

PRIORITY SETTING

Funds continue to be inadequate to provide for the demand for routine general medical and surgical services by not meeting the basic operational needs of hospitals and clinics operated by IHS and by tribes or for services purchased from private sources. Funds are also inadequate to provide for such items as catastrophic care, high cost medical equipment and medical supply inventories as well as implementation of programs directed at health promotion and disease prevention which have proved successful. Example of the latter are diabetes control, immunization and Hepatitis B screening etc. In order to meet these needs, the IHS Area management must determine and set priorities and allocate resources accordingly, directing resources to the place of greatest need. It should be duly noted that priority setting decisions and redistribution of resources are not isolated or rare occurences but represent monthly, and sometimes weekly mandatory management determinations required of the eleven IHS Area Directors. These decisions are caused mostly by the scarcity of uncommitted resources.

Since medical equipment and supply acquisition are extremely critical needs of the hospitals and clinics operations, and preventive health programs are essential to raising the health status of Indians, it is beneficial to have sufficient time to make priority decisions between such diverse and competing needs in order to develop and implement essential emphasis programs. The requirement to distribute the funds between Federal and Tribal at the beginning of the year in the apportionment request will not provide the flexibility necessary to direct resources at priority emphasis programs and the acquisition of essential medical equipment and supplies.

MANAGEMENT RESPONSIVENESS

Since it is necessary that decisions affecting direct patient care be made at the lowest possible level, the IHS Area Directors necessarily involve their line Service Unit and Tribal Health Directors who manage the hospitals, health centers and health stations and who manage the purchase of health care from the private sector.

The week-to-week, month-to-month managerial logistics in effecting these decisions are complicated enough under the current apportionment process. But decisions and courses of action once made can be readily implemented. A divided apportionment will impede and frustrate the timeliness of many already difficult decisions that under the new rules will require the reapportionment of funds before they can appropriately be implemented.

If health care were delivered to Indian people in a static environment, the process of reapportionment might be less felt, but the diverse systems (IHS facilities, private sector contractual arrangements, tribes, etc.) and logistics [illegible] adv[illegible]envir[illegible]ontext[illegible]tor[illegible]ural, [illegible]ainou[illegible]decrease, is[illegible], [illegible]

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*U.S. GPO: 1988-216-488

in which IHS operates makes it imperative that once decisions are arrived at there is the flexibility to implement them. Without such flexibility, the course of action will be constrained, untimely, and could undoubtedly effect loss of life or limb situations. Decisions and courses of action requiring response within weeks should not be constrained by requests for reapportionment of funds which historically take months to accomplish.

HEALTH STATUS

The success of the IHS in its ability to raise the health status of the American Indians and Alaska Natives results from the proven strength of a single health system focused on a wide variety of health problems within a fixed level of resources. The accomplishments of this single system of health care are well documented in the budget documents presented by the President to the Congress each year. The IHS integrates and coordinates services in order to preserve the integrity of a single system of health care. Without the integrity of a single system, the resultant fragmentation would seriously weaken the health care system, slowing or reversing the progress that has occurred, decreasing the quality of care provided, and diminishing the health status of Indian people.

EQUITY ALLOCATION

The achievement of equity in the allocation of resources, as ordered by the court and directed by the Congress, can best be accomplished through the application of a Resource Allocation Methodology (RAM) to a unified or single system of health care. For example, a determination of the source and level of RAM funds to be allocated in a manner designed to achieve equity can only be made after a careful evaluation of the actual appropriation. The division of the appropriation into two apportionments makes this application virtually impossible without a comprehensive systems analysis of the allocation methodology. The division of the appropriation into two apportionments greatly reduces the IHS management capability of achieving equity in the funding of health services throughout the Indian health program. Thus the degree to which equity in funding could be achieved would be delayed indefinitely by the intra-program demonstration which requires reapportionments to implement equity driven decisions.

COMPTROLLER GENERAL

Finally, in accordance with the principles of Federal Appropriations Law, the Comptroller General has stated that "the apportionment power may not lawfully be used as a form of executive control or influence over agency functions. Rather, it may only be exercised by OMB in the manner and for the purposes prescribed in 31 U.S.C....To prevent obligation or expenditure in a manner which would give rise to a need for deficiency or supplemental appropriations, to achieve the most effective and economical use of appropriations and to establish reserves either to provide for contingencies or to effect savings which are in furtherance of or at least consistent with the purpose of an appropriation. As thus limited, the apportionment process serves a necessary purpose -- the promotion of economy and efficiency in the use of appropriations..."

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*U.S. GPO: 1988-216-486

In our opinion, the OMB treatment of the single Indian Health Services appropriation as two separate appropriations, relative to the apportionment process, is inconsistent and may be in conflict with the purpose of the apportionment process as defined by the Comptroller General and noted above:

1. It is clearly not necessary to prevent the need for deficiency or supplemental appropriation.

2. It will not result in the most effective and economical use of appropriations.

3. It is not needed to provide for contingencies or to effect savings.

For reasons outlined above, I strongly urge a single apportionment request be approved. The apportionment request is being submitted through the proper channels.

Thank you for your cooperation and interest in Indian health.

Sincerely yours,

(sgd.) Robert A. Marsland for

Everett R. Rhoades, M.D.
Assistant Surgeon General
Director

cc:
IHS/ES official
OAM/ROACH

Prepared by:IHS/OAM/ECASTER:jd:et/2-27-89/443-7493
Revised by:IHS/OAM/HROACH:jd:et/3-1-89
Revised by:IHS/ES/MLANDERSON:jd:et/3-3-89
Prepared by:IHS:ES:ECASTER:jd:et/3-14-89
Doc. #5354J

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*U.S. GPO: 1988-216-488

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

Mr. Dennis J. Fischer
Deputy Assistant Secretary, Finance
Office of the Secretary
Department of Health and Human Services
Washington, D.C. 20201

MAR 29 1989

Dear Mr. Fischer:

As requested, we have approved the attached financial plan for Tribal Health Administration to reflect a single obligation of funds available under P.L. 93-638 to tribes and tribal organizations.

Although we understand an annual grant of tribally administered funds is consistent with current practices, we would like to understand what measures HHS employs to insure expenditures do not occur at a rate that would result in an Anti-Deficiency Act violation. We would appreciate receiving an explanation of HHS' current or planned procedures.

We are sensitive to the concerns regarding IHS financial accountability raised by various tribes and tribal organizations during our continuing consultations with tribal leaders and wish to be responsive.

Sincerely,

David K. Kleinberg
Deputy Associate Director
Health and Income Maintenance Division

Enclosures

QUESTION SUBMITTED BY MR. LOWERY
CONTRACT HEALTH SERVICES FUND ANALYSIS

Question. An analysis of the Contract Health Services (CHS) fund distribution indicates a wide disparity in funding by IHS Area. As an example, the Portland area with no direct care inpatient capacity receives $489 per active user, while California, also with no inpatient capacity, receives only $48 per active user. If CHS funds are to augment and extend the IHS Direct Care Program, how do you explain such discrepancies?

Answer. The appearance of a wide funding disparity among the IHS Areas and specifically between California and Portland is linked to the source of funds. This is especially true when only the contract care funds are being used to arrive at a comparative per capita cost. For example, the appropriations for California have been received mostly through congressional add-ons and most in the hospitals and clinics budget category. Since these funds were made available for both direct care operations and contract care related services, a comparison of contract care funds only is very misleading and inaccurate. A more accurate comparison of the funding levels of these two Areas produces a level of need funded of 55 percent for California and 67 percent for Portland. The primary funding sources for these comparisons include both hospitals and clinics resources and contract funds.

Question. To date, what progress has been made in the computerization of California Tribal programs? What is the estimated cost to achieve the requirements of P.L. 100-713 for automated management systems in California? Understanding the legislation requaires completion by September 30, 1990, how does IHS anticipate meeting this requirement?

Answer. The IHS has procured automated systems that address common needs at over 200 sites, which includes six in California. These systems are not appropriate for very small sites located in California and other rural parts of the country. Under an IHS plan, the California Area Office (CAO) is conducting pilot tests to determine the suitability of small multi-user systems for small sites; and to establish cost effective systems maintenance and IHS compatibility models. The CAO is also testing telecommunications networking approaches as an alternative to placing a computer system on-site, yet provide access to automated information systems. These tests will be completed in 1990.

The estimated cost to achieve the requirements of P.L. 100-713 have not been determined due to the number of alternative approaches being evaluated. Cost estimates will be determined after tests are concluded in 1990.

The IHS does not anticipate meeting the total requirements by September 30, 1990. The requirements for California facilities down to the health center level will be a component of procurements planned FY 1991-93 under proposed IHS budgets.

Question. I have been informed that HSPS funding needs show a great disparity in the level of target funding for similarly sized operating units in the mainland U.S. Has this been brought to your

attention and what would account for such a disparity?

Answer. The IHS is not aware of a great disparity in the level of target funding for similarly sized operating units. The congressional intent of both the HSPS and the Indian Health Care Improvement Fund is to target resources to those tribes/operating units most deficient in resources as determined by the Level of Need Funded (LNF). Therefore, two similarly sized operating units could have different LNF's and one would receive target funding while the other would not.

Question. The Senate FY 1988 Appropriation Report directed the IHS to review the impact of RAM on both large and small operating units. As a result, changes were made which benefited large service units with inpatient capacity. These changes were included in the HSPS. What is your plan to receive the imports of RAM on small operating units like those in California?

Answer. The IHS has and continues to examine and analyze the RAM and modify as appropriate to make it more responsive to the IHS and tribal health delivery system requirements.

QUESTIONS SUBMITTED BY CONGRESSMAN LES AUCOIN SILETZ CLINIC

Question. What is the status of the Siletz clinic demonstration project, for which $470,000 is provided for staffing and equipment in FY 1990. The Siletz Tribe has requested an additional $100,000 to provide preventive health services. What conclusion has been reached about the needs that these services would address?

Answer. Construction of the clinic facility is progressing and it is anticipated the clinic will be operational by January, 1991. IHS has been providing the Tribe with technical assistance regarding the purchasing of equipment and staffing. One physician and two nurses will staff the clinic, and limited x-ray and laboratory services will be available.

The Siletz community of approximately 2,000 is relatively isolated, 65 miles from the nearest IHS service unit. The request for an additional $100,000 is to be used for community outreach services by providing for a full time social worker, public health nurse, health educator and administrative support for this component of the program. These needs were not addressed in the original project. The additional staff would provide health promotion/disease prevention activities, community disease tracking, home health evaluations, home care visits, health assessments, social service assessments and referrals to social agencies when necessary.

GRAND RONDE YOUTH SUBSTANCE ABUSE TREATMENT CENTER

Question. The Grand Ronde Tribe estimates that the facility could treat 300 clients per year with adequate funding and staff and it has requested an additional $150,000 in the IHS Alcoholism appropriations for this purpose. Is there adequate demand for these services among Indian youth in the Northwest to justify this level of activity?

Answer. A shortage of adolescent treatment beds exists, and Area wide community needs assessments have indicated a need for approximately three times the present bed space of 47. However there are similar needs in other IHS Areas, and in order to achieve equity, the IHS prefers to distribute additional funds using the current IHS resource allocation process unless otherwise directed.

WARM SPRINGS CLINIC

Question. Has IHS completed the report requested by the Committee on the proposed Warm Springs health and wellness clinic?

Answer. The IHS completed its evaluation of the Warm Springs proposal for alternative health facility construction financing, and should be submitting its report on the feasibility of the proposed approach to the Congress in May.

Question. Please describe in brief the recommendations of the report.

Answer. The proposal provides an alternative which could impact the availability of health facilities and care to Indian people. In terms of self-determination, the proposal reflects not only participation in the planning, conduct and administration of the health delivery system, but also a substantial financial commitment on the part of the Tribe. However, the proposal requires the commitment of increased IHS funding to meet staffing, equipment, leasing and operational costs associated with the proposed facility.

While there may be arguments in favor of this approach, the idea merits further investigation to assess fully the short and long-term commitments and costs to the Federal Government. Additionally, the potential impact of such proposals on the IHS health facility priority system and health care equity funding must be addressed. There is concern that accepting such proposals may lead to a discriminatory funding situation, i.e., the wealthier and more sophisticated tribes would be able to procure new facilities, increased staffing, and rental incomes while poorer tribes that may have a greater need for health services would be entirely dependent on Federal funding.

Question. Please describe in brief the conditions of the current tribal clinic, which I understand was built in 1934. Are the facilities adequate to
accommodate the needs of the tribal population?

Answer. The existing Warm Springs Indian Health Clinic contains approximately 11,000 gross square feet and was constructed in 1934 as a Bureau of Indian Affairs hospital. It is of brick and concrete construction. In 1957, it was converted to an IHS ambulatory clinic, and renovations have been made through the years to obtain maximum use of available space. Although the facility is JCAHO accredited, it is unsuited for today's health program, having only about one-third the space needed for the current workload. Remodeling is not considered feasible due to property limitations and the large cost associated with renovation of such an old facility.

Question. What would be the annual staffing and equipment funding requirements for FY 91 and beyond if the facility were to be built according to the plan suggested by the tribes?

Answer. For FY 1991, the Warm Springs Tribes have requested funds for increasing the health center staff by 12 positions and for purchasing one-half of the new equipment needed for the facility. This would require $380,000 in recurring funds for increased staffing, and $570,000 in non-recurring funds for equipment. An additional $569,000 (non-recurring) would be required in FY 1992 for equipment purchase. Also, for FY 1992 and the following seven years, approximately $1.1 million per year would be required for recurring staffing and operational costs. From that time forward, recurring funds for leasing would be required in addition to staffing and operational costs.

Question. What would be the tribes' financial commitment to building and operating the facility?

Answer. The tribe proposes to fund the total design and construction costs for the facility estimated at $5.2 million. Additional costs for interest during construction, debt service, bond/loan fees, and operation and maintenance of the tribally occupied portion of the building would bring the cumulative tribal costs for the facility over the next 10 years to approximately $9.5 million. The facility would be provided to IHS rent free for eight years after which the tribe would expect IHS to pay leasing costs.

Question. If this course of action were not pursued, when would the tribe expect to have a replacement facility built, based on IHS priorities?

Answer. A replacement health center for the Warm Springs Reservation is not on the current priority list for ambulatory care facilities. Therefore, the IHS cannot be too optimistic about its ability to provide a replacement facility in a timely manner because there is a $530 million backlog of projects on current priority lists. It could be well beyond the year 2000 before the Warm Springs facility is eventually placed on the IHS priority list for construction and funding becomes available.

COMMUNITY HEALTH REPRESENTATIVES

Question. How has IHS followed the Committee's directive to establish community health representatives program for newly federally recognized tribes, including Grand Ronde and Klamath?

Answer. Eighteen newly federally recognized Tribes including Grand Ronde and Klamath received a total of 25 new CHR positions based on population. Each position was funded at $20,500; which includes all costs related to the operation of a CHR program.

Question. What level of service are these new tribes receiving, compared with tribes that have ongoing CHR programs?

Answer. It is premature to compare the level of services that the new Tribes are receiving with those received by existing tribes

since they are in their initial start-up phase. However the national average number of services provided by a CHR in fiscal year 1989 was 2650.

Question. Are there any tribes which have had their federal recognition restored in the last decade that do not have CHR Programs?

Answer. Yes, there are four federally recognized Tribes that were restored within fiscal year 1989, that do not have CHR programs.

Question. What additional funds are required in FY 91 to bring all tribes up to the full level of service for CHRs?

Answer. For FY 91 the recommended per capita rate per CHR was $40,700 which includes all costs related to the operation of the program. Additional funds required in FY 91 to bring all Tribes up to the full level of services by CHRs is $145.4 million.

QUESTIONS SUBMITTED BY THE HONORABLE WES WATKINS

Question. The General Accounting Office has released a preliminary report which shows that while the State of Oklahoma has 20 percent of the population served by the Indian Health Service (IHS), the State only receives 12 percent of the Agency's budget. Why is this?

Answer. The IHS has never been supportive of funding health care solely on per capita criteria. Various factors are considered in the development of resource allocation methods. Such factors include, but are not limited to: the composition of the health delivery system (direct vs. tribal); actual user population; actual services provided; health status; standardized cost factors; and the availability of alternative sources of health care. A major contributing factor to the perceived funding disparity has been the significant increase in the user population as a possible result of the declining economic conditions in the oil states.

The Oklahoma Area user population increased more than 28 percent between 1985 and 1988. This is in sharp contrast to the remainder of the IHS user population which increased less than 19 percent during the same period. This rate of growth for the user population in Oklahoma has been greater than the growth in funding and greater than other Areas.

Question. Does the present funding allocation method used by IHS lend additional weight to a given Area's population with regards to such population's greater use of IHS services?

Answer. Yes. The Resource Allocation Methodology (RAM), adapted for the Health Services Priority System (HSPS), includes four major factors in the formula for determining resource requirements. Two of these factors are user population and actual services provided. Thus, the RAM does incorporate both the impact of increased users and services.

Question. In terms of population and per capita funding by IHS

Areas for total IHS funds in fiscal year 1990:

Evidenced by the GAO findings, the Oklahoma Area IHS is one of the lowest funded per capita of all IHS Areas. Why is the Phoenix Area, with only 9 percent of total users, funded per capita at more than twice the Oklahoma Area?

Why is the Nashville Area, with a 2.7 percent of total users, funded per capita more than three times the Oklahoma City Area?

Answer. The IHS does not employ a simple per capita funding allocation methodology, nor does it examine and analyze funding distribution on solely a per capita basis. See answer to Question 334 for rationale and reasons.

Question. The Health Services Priority System for allocation of funds was developed by IHS as required in Section 201(e) of Public Law 100-713, the Indian Health Care Amendments of 1988. The Resource Allocation Methodology (RAM) had previously been used by IHS to distribute funds. In the RAM formula, the Level of Need Funded accounts for 50 percent of RAM allocation and targeting full funding does not result in funding all areas at the same level. Public Law 100-713 states that this type of allocation criteria should not be used. With respect to fiscal year 1990 appropriations, which fund distribution formula, the Health Services Priority System or Resource Allocation Methodology, was utilized by IHS to disburse these monies?

Answer. The RAM, developed over a 2-3 year period with extensive tribal consultation, was adapted for use with the Health Services Priority System and formed the basis for the distribution of the $10 million Indian Health Care Improvement Fund for FY 1990.

Question. In November 1989, tribes in the Oklahoma Area were notified by IHS Headquarters that $10 million in additional funding as authorized by the IHS Improvement Act would be distributed using the Health Services Priority System (HSPS). Would not use of the HSPS System have resulted in the Oklahoma IHS Area receiving approximately $8 million out of the $10 million? What amount did the Oklahoma Area receive?

Answer. The preliminary results of the initial model proposed for the HSPS indicated that approximately $8 million would be directed to Oklahoma. However, the proposed model represented significant change in IHS policy established in the RAM through extensive tribal consultation. Because timely distribution of the Indian Health Care Improvement Fund (IHCIF) was imperative, the IHS adapted the RAM to meet the requirements of P.L. 100-713 in lieu of developing a new approach independent of discussion and tribal consultation. Based on the results of RAM, as adapted for the HSPS, Oklahoma received $4.5 million or 45 percent of the $10 million IHCIF.

Question. What is the basis for the IHS to allot the amount under the IHS Improvement Act to the Oklahoma Area?

Answer. The allocation of $4.5 million or 45 percent of the Indian Health Care Improvement Fund for FY 1990 was determined on

the basis of the RAM, as adapted for the Health Services Priority System.

Question. What allocation method did the Agency utilize to distribute the IHS Improvement Act to the service areas?

Answer. The allocation of the $10 million Indian Health Care Improvement Fund for FY 1990 was determined on the basis of the RAM as adapted for the Health Services Priority System. The allocation of these funds was made to those tribes and/or operating units eligible to receive such funds; i.e., those locations with resource deficiency greater than 40 percent.

Question. Is it correct to state that IHS Contract Health Services funds are to be used to provide emergency and specialized health care not otherwise available in IHS facilities?

Answer. Contract health care is primarily used in situations where:

1. No IHS or tribal direct care facilities exist.
2. The direct care element is not capable of providing required emergency and/or specialty care.
3. The direct care element has an overflow of medical care workload.
4. Supplementation of alternate resources such as Medicare is required to provide comprehensive care to eligible Indian people.

Question. In a April 23, 1986, memo, the IHS directed all IHS Areas to give first priority to emergent and life threatening conditions. Examining Fiscal Year 1989 obligations for Contract Health Services (CHS), why is it that some IHS Areas utilized CHS funds to heavily support direct patient care, pay for rehabilitative care, staff, drugs and medical supplies, yet the Oklahoma IHS Area could not do so?

Answer. The IHS allocates money to each Area Office for their health care delivery programs, including CHS. The direct health care program and the CHS program are an integrated health care system within IHS. Each Area determines its priorities for the use of these funds. There are several considerations is allocating funds for CHS including the availability of alternate resources and the availability of direct care facilities. At the beginning of FY 1990, all IHS areas were restricted to urgent and emergent care and care that, in the judgment of a physician, should be provided to prevent deterioration of a patient's condition, and consultant services that support these categories. Some areas have determined that their limited CHS funds are most effectively used through the above categories in their integrated direct and its programs.

According to the IHS Health Services Priority System (HSPS), the Oklahoma Area has a level of need funded (LNF) of 52 percent, while the average LNF for IHS is 62 percent. During FY 1990, IHS directed 22 percent of its shortfall funds, 19 percent of its CHS deferred services funds and 45 percent of the $10 million HSPS funds to the Oklahoma Area.

Question. What is the basis for IHS to allow use of Contract Health Services funds for indirect costs.

Answer. Under P.L. 93-638 contracts, Contract Health Services (CHS) funds may be used to fund the indirect costs associated with the CHS direct costs. Under IHS contracts with institutional providers for provision of health services either through use of Medicare rates or other basis for reimbursement (billed charges, percent of billed charges or per diem), IHS is paying for an allocated portion of the institution's overhead which is a part of that composite rate. Payment of such costs is part of the normal cost of doing business and their source of funding is program operating funds.

Question. After the deduction of non-emergency costs, what percentage of funds did the IHS obligate for emergency care?

Answer. The IHS does not separate the costs of emergency care, that is, care provided in emergency rooms, from other CHS costs. During this fiscal year, all IHS Areas are required to restrict CHS expenditures to care that is emergent/urgent, or to care for conditions that, in the judgment of the physician, require early intervention.

Question. For Fiscal Year 1989, there appears to be a wide disparity in the amount of emergency services provided by IHS, what is the basis for this disparity?

Answer. Apparent disparities are based to a great extent on differences in the level/types of services provided in each Area; i.e., some areas have direct care facilities while others do not, and some areas have medical centers, which may provide more complex care like emergency and non-emergency, that would otherwise be provided through CHS. Taking these factors into consideration, the apparent disparities are lessened. They are not completely "even-out" however, as some Areas are experiencing more rapid population growth, changing economic conditions, etc., that are placing greater strains even on the ability to completely pay for all emergency care.

Question. The Oklahoma Area, which has the largest user population, received the least per capita funding for Contract Health Services of all the IHS Areas. Why is this?

Answer. Historically, the IHS has not funded Areas on a per capita basis for several reasons, including the differences in program "start up" costs, the availability of alternate resources, and the availability of direct care facilities.

According to the IHS Health Services Priority System (HSPS), the Oklahoma Area has a level of need funded (LNF) of 52 percent, while the average LNF for IHS is 62 percent. During FY 1990, the IHS CHS program directed 22 percent of its shortfall funds and 19 percent of its deferred services funds to the Oklahoma Area.

FY 1990 HOSPITALS AND CLINICS FUNDS DISTRIBUTION

Question. The IHS is conducting the Quality Management

Initiative. Is this effort being funded by monies earmarked by Congress for hospitals and clinics?

Answer. The IHS expects to expend about $1 million in FY 1990 for the IHS'Quality Management Initiative. The source of funds is about $400,000 from Direct Operations and about $600,000 from Hospital and Clinics. The amount from Hospital and Clinics has been allocated from those amounts held in Headquarters Reserves, thereby not reducing the amounts allocated to field operations. The Headquarters' Reserves are for Service-wide activities, i.e., professional recruitment and retention, special pays, research and policy evaluation, etc.

Question. Were tribal leaders consulted as to the funding of the Quality Management Initiative? If not, what was the rationale for not obtaining their input?

Answer. The initial thrust of the Quality Management Initiative was the result of extensive criticism of the management of the Indian Health Service, particularly in financial management, procurement activities, and efficient use of appropriated funds. These criticisms came principally from the DHHS Office of Inspector General and the Special Committee on Investigations of the Senate Select Committee on Indian Affairs. These criticisms were directed at the IHS management, not tribal management.

As management problems are clearly defined through the Quality Management Initiative, tribal leaders will be consulted on corrective and improvement actions that may affect them. For example, in actions related to the contract health services program, a tribal representative has been invited to participate in corrective and improvement action strategies.

TUESDAY, MAY 8, 1990.

BUREAU OF INDIAN AFFAIRS

WITNESSES

EDDIE F. BROWN, ASSISTANT SECRETARY, INDIAN AFFAIRS

WALTER R. MILLS, DEPUTY TO THE ASSISTANT SECRETARY FOR OPERATIONS

PATRICK A. HAYES, DEPUTY TO THE ASSISTANT SECRETARY FOR TRUST AND ECONOMIC DEVELOPMENT

EDWARD F. PARISIAN, DEPUTY TO THE ASSISTANT SECRETARY AND DIRECTOR OF THE OFFICE OF INDIAN EDUCATION PROGRAMS

RONAL D. EDEN, ACTING DEPUTY TO THE ASSISTANT SECRETARY FOR TRIBAL SERVICES

KRISTINE M. MARCY, DEPUTY DIRECTOR, OFFICE OF CONSTRUCTION MANAGEMENT

LINDA L. RICHARDSON, ASSISTANT DIRECTOR OF ADMINISTRATION FOR FINANCIAL MANAGEMENT

ANTHONY L. ITTEILAG, DIRECTOR, OFFICE OF BUDGET, DEPARTMENT OF THE INTERIOR

Mr. YATES. This is the hearing on the appropriations for fiscal year 1991 for the Bureau of Indian Affairs. Appearing in support of that appropriation is the new Assistant Secretary, Mr. Eddie Brown. He's accompanied by Mr. Walter Mills, Deputy to the Assistant Secretary for Operations; Mr. Hayes, Deputy to the Assistant Secretary for Trust and Economic Development; Mr. Parisian, Deputy for Indian Education Programs; Mr. Eden, Acting Deputy to the Assistant Secretary for Tribal Services; Ms. Marcy, Deputy Director—look who's here. I didn't see you. Good morning. Linda Richardson—our friend for many years. I was going to say our old friend, but our friend for many years. [Laughter.]

And Mr. Itteilag. Where are you, Mr. Itteilag?

All right, Mr. Brown's statement may go into the record at this point, to be followed by the biography for Mr. Brown, the biography for Mr. Hayes, and the biography for Mr. Parisian.

[The prepared statement of Mr. Brown and the biographies of Messrs. Brown, Hayes, and Parisian follow:]

STATEMENT OF THE HONORABLE EDDIE F. BROWN
Assistant Secretary - Indian Affairs

before the

Committee on Appropriations
Subcommittee on Interior and Related Agencies
United States House of Representatives

May 8, 1990

Mr. Chairman, members of the Committee, I am pleased to appear before you today to present the fiscal year 1991 budget for the Bureau of Indian Affairs.

The fiscal year 1991 request for the Bureau totals $1,637,731,000 in annual funds, permanent appropriations and trust funds. Of this amount, $1,185,178,000 represents direct Federal appropriations in support of the operation of Indian programs, construction and loan activities and payments related to various settlement acts. These funds are used to support numerous activities in the areas of education, social services, law enforcement, natural resource protection and enhancement, Indian rights protection, construction and maintenance of facilities, and general administrative costs in carrying out the Federal governments commitments to more than 900,000 Native Americans. The Bureau of Indian Affairs budget is the largest of the bureaus in the Department of the Interior and accounts for 21 percent of the entire Departmental budget for the coming year. I am also pleased to point out the fact that this budget is the largest request ever submitted for the Bureau of Indian Affairs.

The fiscal year 1991 budget proposes a reduction of $170 million below the FY 1990 post-sequester level. This decrease, however, largely reflects one-time appropriations provided last year. For example, $54 million was provided to cover the estimated cost of converting self-determination contracts from a calendar year to a fiscal year basis; and $139 million was appropriated for non-recurring costs of Indian settlements.

The pending budget request focuses on five major areas: improving educational opportunities in bureau-funded schools; strengthening self-determination opportunities for tribal governments; carrying out the Federal Government's trust responsibility; restoring and enhancing natural resources on reservation lands; and addressing the needs to improve the internal management and administration of the Bureau of Indian Affairs.

MANAGEMENT AND ADMINISTRATION OF THE BIA

It is clear that the ability of the Bureau to effectively meet the management and administrative requirements common to all federal agencies is an essential prerequisite if we are to provide an acceptable level of service to tribes and individual Indians. However, in a report recently published by the Office of Management and Budget, the Bureau of Indian Affairs has been cited as one of the federal agencies having serious management and internal control deficiencies. The Department of the Interior is planning to address this issue at three different levels: from the office of the Under Secretary; from the Office of Financial Management within the Department; and within the Bureau itself. Additional resources are requested in all three areas of the Department's FY 1991 budget.

With respect to the Bureau's budget, several initiatives, in addition to trust management improvements, are proposed for FY 1991. Included is a request for $1 million and 19 staff to establish an office of audit and evaluation. The Bureau presently lacks internal capacity to detect and correct internal control weakness which could lead to loss of financial resources or decrease program effectiveness. As has been stated time and time again in reports issued by the Office of the Inspector General, the Bureau has regularly failed to implement completely the required corrective actions. In addition to conducting internal programmatic and financial reviews, this office will also be charged with the responsibility for follow-up on IG and GAO reports in an effort to ensure that the corrective actions required are indeed implemented and functioning as intended.

To better assist tribes in stimulating economic development by providing access to capital and technical assistance, $500,000 is requested to undertake an independent review of BIA's direct and guaranteed loan portfolios. As of the end of FY 1989, loans in these two programs exceeded $300 million. These portfolios have never been reviewed by an outside, professional firm. Loans that have been defaulted will be reviewed and recommendations made as to actions that can be taken to stabilize the portfolios and prevent future defaults.

In response to several Inspector General reports regarding deficiencies in the Bureau's dam safety program, the 1991 budget proposes to transfer the responsibility to the Bureau of Reclamation. Funding for dam safety activities on Indian reservation is included in the budget of that agency.

EDUCATION

For the operation of elementary and secondary schools, support of post-secondary institutions, grants to Tribally Controlled Community Colleges, JOM Supplemental education programs, scholarships and adult education, the budget requests $313.3 million. When one considers the amount of money from the facilities management budget, from the facility improvement and repair program, and from the construction account that is used to support the bureau's education program, approximately 25 percent of our entire budget is dedicated to education.

The Bureau has established a goal of raising the educational attainment of students in federally-funded schools to the national norm by the year 2000. In support of the objective, additional training opportunities will be provided for teachers and principals; new equipment will be purchased for schools; and demonstration projects will be implemented targeted to preschoolers and their parents.

With funds budgeted in the General Administration portion of the budget, research instruments will be developed and evaulated for use in measuring progress toward meeting our goal. In addition, formal review teams will be established to conduct extensive on-site reviews of school operations to determine compliance with all areas of academic and dormitory standards. The results of these reviews will be made available to school administrators, school boards, and to the tribes served by the particular school.

Secretary Lujan joined me in hosting an education conference in Santa Fe on February 12th, and another conference was held March 12th in Rapid City. The final summit will be held April 18 in Spokane. We will use the insights gained from these meetings to further define objectives and methods of achieving gains in Indian education so that the policies established in Washington reflect the desires and needs of students attending our schools as defined by parents and school boards.

In addition to the funds provided through the BIA budget for bureau and tribal schools, approximately $51 million for various educational programs administered in Bureau schools is made available to us through the Department of Education. In the past year, we have strengthened our working relationship with that Department and look forward to the continued support and interest in Indian education which has been been displayed by Secretary Cavazos.

SELF-DETERMINATION

To further Indian Self-Determination opportunities, the request contains funds to expand the Small Tribe Core Management grant program to a technical assistance program of wider applicability, as authorized by the Indian Self-Determination Act Amendments of 1988. Often, tribes have found that the specialized assistance they require for a particular project is simply not available within the BIA.

To better ensure a stable funding base for tribal contractors, the budget continues funding provided in prior years for the tribe/agency section of the budget. These amounts have been added to the planning bases of the affected tribes. The budget includes $69.9 million for contract support payments for tribes and tribal contractors. This amount includes $19 million for education Administrative Cost grants, $7 million for contract support of construction contracts, and $43.9 million for indirect costs associated with other programs which are contracted by tribes or tribal organizations.

A total of $7.5 million is contained in the budget for staffing and operation of the emergency shelters and juvenile detention facilities constructed with funds appropriated pursuant to the Anti-Drug Abuse Act. It is expected that tribes will contract with the Bureau for the operation of all of these facilities. Total funding of $16.8 million is requested for drug-related activities in law enforcement, education and substance abuse counseling. This represents a $2.2 million increase over FY 1990.

To improve the infrastructure on reservations, which is essential to expanding opportunities for tribal growth and development, the budget includes $37.3 million for road maintenance and $20.2 million for improvements to the housing stock.

For the first time, the Consolidated Tribal Government Program is displayed as a separate line in the budget. This program was begun on a demonstration basis in the early 1980's. It allows tribes to consolidate activities in one budget line and to administer the programs in a combined fashion under a single contract which increases administrative efficiency for the tribe and allows for somewhat greater flexibility in meeting shifting requirements within the tribe/agency portion of the budget. Through the Indian Priority System budget development process, tribes moved $9.2 million from other programs to this line of the budget and we anticipate that this number will increase in future years.

Bill language is also included with the budget request to continue coverage of tribal contractors under the Federal Tort Claims Act during FY 1991. This should allow sufficient time for completion of the liability insurance study requested by Congress and for the Administration and Congress to review the available options and make a determination for future years.

TRUST RESPONSIBILITIES

The Bureau has begun to take action on a number of fronts to improve our administration of the $1.7 billion which is held in trust for Indian tribes and individual Indians. Last year the Bureau contracted with Arthur Andersen & Company to conduct the first known outside audit of trust funds. The auditors made numerous recommendations for changes and improvements in the way we have managed this program. In response to the Arthur Andersen report, corrective actions have been developed to address deficiencies at the agency and area levels. Following the Arthur Andersen audit, the Office of the Inspector General issued an audit report on trust fund management.

As a result of these reports, the Secretary signed an order in August 1989 establishing a separate office of trust funds management which will be under the direction of a Senior Executive Service employee who will report directly to the Assistant Secretary - Indian Affairs. We expect that position to be filled in the near future. Our FY 1991 request includes funds to provide additional staff support to that office so that the functions which had previously been divided among three different organizational components within the Bureau, can be consolidated and effectively performed.

As required by statute, the Bureau will hire an outside auditor to audit the funds held in trust prior to the transfer of those funds to Security Pacific National Bank for custodial, investment, and reporting services. It is our plan this year to audit the judgment and non-judgment trust accounts of the 25-27 tribes having the largest balances of funds held in trust. This audit will cover approximately 73% of the dollar volume of tribal trust funds, and about 52 percent of the total funds held in trust by the Bureau. We plan to complete the tribal trust audits during FY 1991, and begin to develop an audit plan for the Individual Indian Money accounts. It is also our intention to continue to have outside auditors prepare annual financial statements on the trust funds. The Secretary has identified the improved management of trust funds as one of his top two priorities for the Bureau of Indian Affairs.

The Bureau is responsible for providing title service and maintaining land ownership data on 53 million acres of trust land in which there are over 2 million ownership interests. As up-to-date and accurate title information is essential to certify ownership, encumbrances, heirship data, and to distribute income from the land, the budget requests an increase of $2.3 million for the land title and records offices. In concert with this request, the Bureau also proposed to undertake a five-year effort to reduce the backlog of approximately 4,800 Indian estates awaiting probate action. Until probate is completed, heirs are unable to obtain the income which may be generated from leases of the land. The backlog has reached such a high level in some agencies -- some having more than 200 estates requiring research, that the task simply can not be completed within existing staffing resources.

NATURAL RESOURCES

In the area of Natural Resource Development there are several increases requested which are noteworthy. To restore the productivity in Indian farm and rangelands, we are requesting that the prairie dog control program be doubled and that the noxious weed eradication program be increased by $1.3 million. Under the prairie dog control program, 120,000 infested acres on four reservations will be treated over a five year period. A five-year management plan to eradicate noxious weeds on 750,000 acres of Indian lands has also been developed. Multiple control methods will be used and the Bureau will also work with non-Indian land owners

who own adjoining lands to better ensure the long-term effectiveness of this treatment. An increase of $2 million is included in the budget for the multi-year forest development backlog reduction program. The additional funds are required to meet the higher per acre costs of the lands remaining to be reforested and to provide silviculture treatment to lands previously reforested in order to ensure optimum forest growth rates.

CONCLUSION

In addition to these five major areas of interest, I would draw your attention to the fact that the pending request contains the full amount required in FY 1991 to complete funding for the Aleutian and Pribilof Islands Restitution Act and for the Salt River Pima-Maricopa Water Rights Settlement Act, and it includes the second of three payments required under the Colorado Ute Indian Water Rights Settlement Act. Further, the Department has established several water rights negotiation teams which are actively pursuing negotiated water settlements with a number of Indian tribes.

This concludes my opening statement. I would be pleased to respond to any questions the Committee may have concerning the pending budget request for the Bureau of Indian Affairs.

Eddie F. Brown
Assistant Secretary - Indian Affairs
U.S. Department of the Interior

Eddie F. Brown was nominated by President Bush on June 6 to be Assistant Secretary - Indian Affairs. He was confirmed by the U.S. Senate June 21 and sworn into office June 26.

Brown becomes the fifth person to hold the office since it was created in 1977. He is an enrolled member of the Pascua Yaqui Indian Tribe of Arizona and affiliated with the Tohono O'Odham Tribe. Brown most recently served as Director of Arizona's Department of Economic Security (DES) -- the state's largest governmental department -- where he managed the activities of four major program divisions with 7,000 employees and an annual budget of almost $1 billion.

Interior Secretary Manuel Lujan said of Brown, who formerly headed the Bureau of Indian Affairs' (BIA) Social Services Division, "He has a broad background in intergovernmental relations with Native Americans. This, combined with his extensive social service education and prior experience at the Bureau of Indian Affairs, makes Eddie a welcome addition to the Department of the Interior."

Brown told the Senate Select Committee on Indian Affairs at his confirmation hearings, that five specific areas in Indian affairs would receive considerable attention under his administration. "These areas are Indian education, economic development, tribal community infrastructure, trust responsibility and natural resources management, and administrative accountability," he said.

He told the Committee that President Bush and Secretary Lujan have expressed their commitment to making the ideals of tribal self-government and self-determination a reality. "They have pledged to work cooperatively with Tribal governments to improve educational opportunities, promote economic development, and take other measures to enhance the quality of life in American Indian communities. I look forward to working with the President and Secretary Lujan as well as with employees of the Department of the Interior. I also look forward to working closely with the Congress, Tribal governments and other Federal agencies," Brown said.

Brown has a Bachelor of Social Science degree from Brigham Young University and has Masters and Doctorate degrees in Social Work from the University of Utah. His studies were concentrated in the areas of community organization and social policy and planning. In 1972, he served as director of the United Council on Urban Indian Affairs in Salt Lake City. From 1972 to 1975, he was an assistant professor in the School of Social Work/Native American Studies at the University of Utah, where he taught at the graduate level in the Human Behavior Sequence and served as consultant to the American Indian Social Work Career Training programs. In 1975, Brown joined the Arizona State University's Graduate School of Social Work as associate professor and taught at the graduate level in the areas of community organizations, social policy and planning, and administration.

He then served for almost six years as assistant director of DES and won acclaim for his work in the area of state, tribal and federal intergovernmental relations. The state's largest newspaper called his work "a national model." In 1985, Brown moved to Washington, D.C., to head BIA's Social Service Division where he was responsible for planning, developing, and coordinating the $117 million social services program. In 1986, he returned to Arizona where briefly he was director of community affairs and associate professor at Arizona State University before accepting the gubernatorial appointment to head DES in January 1987.

Brown has received many national and local awards including the U.S. Jaycees Outstanding Young Men of America award, Phoenix Indian Center's Outstanding Young Indian, Senior Executive Service Candidate Development Program, Who's Who in Arizona, and Phoenix Valley Leadership. He has served on numerous national and state committees.

Brown was born December 26, 1945, in Ajo, Arizona. He is married to the former Barbara Weems of Los Angeles, California. They have six children and reside in Fairfax, Virginia.

BIOGRAPHICAL SKETCH ON PATRICK A. HAYES

Patrick Hayes was born in Webster, South Dakota, on November 26, 1944. He is an enrolled member of the Sisseton-Wahpeton Sioux Tribe. He graduated from Oglala Community High School at Pine Ridge, South Dakota, in 1962. He enrolled at the University of South Dakota in Vermillion, South Dakota, that Fall and graduated in 1966 with a Bachelor of Arts degree in Government/Political Science.

He began working for the Bureau of Indian Affairs as a Personnel Management Specialist in August 1966 and started military leave from that position in December 1966. He entered the United States Marine Corps' Officer Candidate School in January 1967 and was commissioned, served 13 months as an infantry platoon commander in Vietnam during 1967-68 and was released from active duty in March 1970.

He resumed his position with the Bureau of Indian Affairs in 1970 and in 1971 entered law school at the University of New Mexico, Albuquerque, New Mexico. He graduated from law school in 1974 and immediately began work for the Oglala Sioux Tribe, Pine Ridge, South Dakota, by establishing and operating a tribal legal services office. He was admitted to the State Bar of South Dakota and the Federal District Court Bar in 1974.

He resumed work for the Bureau of Indian Affairs in 1976 as the Enrollment Coordinator for the Alaska Native Enrollment Office, Anchorage, Alaska. He transferred to the Bureau's Washington Office as the Judicial Services Officer in 1977 and was selected as the Division Chief for Tribal Government Services in 1979. He served in that position until 1983 when he was selected for the position of Superintendent, Colorado River Agency, Parker, Arizona.

In 1986 he was selected for the Department of the Interior's Senior Executive Service Development Program and transferred into the position of Realty Officer for the Phoenix Area, Phoenix, Arizona. He completed the SESDP and was designated to serve in the position of Assistant Area Director for Indian Programs in the Phoenix Area 1987 through 1988.

From May to November 1989, he served as the Acting Deputy to the Assistant Secretary - Indian Affairs (Trust and Economic Development) in Washington, DC. In November 1989, he was appointed to that position on a permanent basis.

Biography

Edward F. Parisian is the Deputy to the Assistant Secretary and Director of Indian Education Programs for the Bureau of Indian Affairs.

Mr. Parisian is an enrolled member of the Chippewa-Cree tribe of Montana and has served as Superintendent of Schools of the Rocky Boy Indian reservation in Box Elder, Montana, since July 1983.

He has more than 19 years of experience in the field of education. As Superintendent of Schools at Rocky Boy, he directed all phases of administration and supervision of a 472-student school system from Headstart through 12th grade. Prior to his appointment as superintendent in 1983, he served for two years as director of the Rocky Boy Tribal education program. From 1980 to 1981, Parisian was tribal health director and planner for the Rocky Boy Health Board while pursuing his doctoral degree in educational administration at Montana State University. His teaching experience includes courses in human growth and development at Stone Child College, and social studies at Browning (Mont.) Junior High School. He has evaluated more than 30 Indian education programs under Title IV and Title VII for school systems in North and South Dakota, Washington, D.C., Montana, Wyoming, Idaho, Mississippi, and Utah.

The Fort Belknap, Montana, native holds an M.A. in educational administration from the University of South Dakota (1977), and a B.A. in physical education (1974) and a A.A. in liberal arts (1973) from Eastern Montana College. He has been a member of the National Indian Education Association since 1973, a member of its board of directors since 1982, and served as its president for the 1988-89 term. He is a member of Phi Delta Kappa, American Association of School Administrators, National Indian Impact Schools, and Montana Indian Education Association.

Parisian was named to Who's Who in the West in 1985; Outstanding Indian Administrator by the Montana Indian Education Association, 1982, and one of the Outstanding Young Men of America the same year.

STATE OF BIA

Mr. YATES. All right, Mr. Brown, how long have you been in office now?

Mr. BROWN. Just ten months this month. June 22, however, will make it one year.

Mr. YATES. And you have everything under control?

Mr. BROWN. Sir, we have made a real attempt to look at it, but, as you are well aware, it's a long-term situation that we're dealing with.

Mr. YATES. What is the state of Indian affairs as interpreted by the Bureau of Indian Affairs at this time and how is this budget? Is this budget adequate for your purposes and for the purposes of the Indian people?

Mr. BROWN. I think the state of the Bureau of Indian Affairs is in a major transition. We're looking in the nineties at a situation of pulling together a new partnership with tribal governments. When we look at the 1990 budget, we see this is the largest budget that has ever been submitted by the Bureau. We feel that it is breaking a 10-year decline in the request.

While we do not in any way say that this budget meets the total needs of the Indian community, we think that it begins to identify some critical areas that need to be addressed, to set some goals and objectives in those areas and allow us to start, hopefully, a new trend.

Mr. YATES. A new trend? What does a new trend mean?

Mr. BROWN. A new trend, sir, talks about a whole discussion—in all the reviews and reports of——

Mr. YATES. Is this the equivalent of a "new deal?" [Laughter.]

Mr. BROWN. Well, we would hope that it would create a new deal for Indian people, sir.

Mr. YATES. Okay, all right. You have an additional $25 million for education. You have an additional $3 million for tribal services. You are cut for national resources development by $5.8 million; trust responsibilities, $7-plus million; and you're cut $54 million for calendar year contracting. Will it hurt you?

Mr. BROWN. No, sir, that reflects the one-time cost of converting 638 contracts from a fiscal year to a calendar year basis. That has no impact on our programs.

Mr. YATES. Okay. Well, that's fine. But you're also cut $35 million for construction. Will that hurt you?

Mr. BROWN. The $35 million, yes, sir, that will have direct impact.

IRRIGATION CONSTRUCTION

Mr. YATES. All right. Where does that cut take place?

Mr. BROWN. Most of that is reflected in the irrigation projects, sir. That total is $27 million.

Mr. YATES. Is that Navajo, mostly Navajo?

Mr. BROWN. That's $10 million in the Navajo irrigation project.

Mr. YATES. Which other irrigation systems are going to be cut?

Mr. BROWN. We have NIIP, Colorado Irrigation Project, the Seminole Reservation Canals, Ft. Belknap, Standing Rock, San Carlos, Ute Mountain, Wind River, Ft. Yuma, Isleta Pueblo, and Flathead.

NAVAJO INDIAN IRRIGATION PROJECT

Mr. YATES. I don't understand the basis for not funding the Navajo irrigation project. As I understand what happened initially, the Navajo agreed to give up their rights to certain waters, legitimate waters that they had, in return for construction of the irrigation project. The agreement was made with them to do that.

Now why isn't that agreement kept?

Mr. BROWN. An IG study raised serious questions about the feasibility of completing such a project. Based on a number of discussions with the IG, we were prepared to do an assessment on the feasibility of completion. That feasibility study is done and will be available—what date?

Mr. HAYES. The first of June.

Mr. BROWN. The first of June.

Mr. YATES. What difference does it make? You agreed to do it.

Mr. BROWN. Yes.

Mr. YATES. You didn't agree to do if it was feasible; you agreed to do it.

Mr. BROWN. I think one of the additional reasons to look at a feasibility study was to begin to take a look at options. If, in fact, that did not appear feasible, to sit down and talk with the Navajo tribe about other options that might be available. But at this point, the feasibility study is there and we are proposing to——

NIIP AGREEMENT OF 1962

Mr. YATES. What's the date of the agreement you have with the Navajo?

Mr. BROWN. The——

Mr. YATES. Under which they gave up their rights and——

Mr. BROWN. That's 1962.

Mr. YATES. In 1962, you entered into an agreement with the Navajo under which they give up their rights and you agree to build an irrigation system. And now here we are almost 30 years later, and you begin to question that on the grounds that you don't know whether it's feasible—30 years later. Does that make sense?

Mr. BROWN. In looking at that aspect, sir, no. The idea is that 30 years have passed in regard to construction costs, needs, et cetera, and our idea to reassess the situation and see what alternatives there are, if any.

Mr. YATES. What alternatives do you have? You have an agreement with the Navajo. Have the Navajo agreed with you to look at other options?

Mr. BROWN. No, sir.

Mr. YATES. Okay, then do you want the Navajo to file suit against the United States——

Mr. BROWN. No, sir.

Mr. YATES [continuing]. To enforce their rights?

Mr. BROWN. No, sir.

Mr. YATES. Then why are you cutting their money?

Mr. BROWN. Sir, based on this assessment, we are proposing to include a package in the 1992 request.

Mr. YATES. In the 1992 request? Why not in the 1991 request?

Mr. BROWN. Because of the questions that were raised at that time, and the need to take a look at the study, sir, a decision was made to move ahead with doing the assessment.

Mr. YATES. What do you think a court would say if you were to tell a court the same thing you just told me? Do you think a court would say, pay the money to the Navajos?

Mr. BROWN. I think that was the agreement in the settlement, sir.

Mr. YATES. What settlement? Do you mean the 1962 settlement?

Mr. BROWN. Yes, sir.

Mr. YATES. Well, I'm talking about a court now. You're saying you're just holding up payment. To me, I don't understand this. I haven't understood this for years. I don't know why suddenly I decide that I have to ask you these questions. I've asked you these questions just about every year, or your predecessors, as to why you do this.

We have put money in from year to year, but I don't know why we shouldn't put money in this year for the same reason. How much money do they need? How much money do they need to go ahead? Twenty-seven million—a pittance. Twenty-seven million? How much of that are you prepared to put in this budget to permit the Navajo to go ahead?

Mr. BROWN. For 1991, sir, we're not prepared to put any in at this time.

Mr. YATES. Why is that? Don't you owe that?

Mr. BROWN. Yes, sir. As I indicated earlier, based on the issues that were raised, we wanted to take another look at the situation. And, as I indicated, that report will be done.

NIIP FUNDING ESTIMATE FROM RECLAMATION

Mr. YATES. You've seen the report from the Commissioner of the Bureau of Reclamation respecting the 1991 budget request?

Mr. BROWN. No, sir, I'm not familiar with that.

Mr. YATES. Let me read to you what he says. He says, "Designs currently in progress"—wait a minute. We don't know the date of this, but it's a memorandum to the Assistant Secretary of the Bureau of Indian Affairs—that's you.

Mr. BROWN. Yes, sir.

Mr. YATES. From the Commissioner of Bureau of Reclamation. You mean you don't have a copy of this?

Mr. BROWN. I should have a copy. What I indicated, sir, was that I do not recall that.

Mr. YATES. Okay, let me refresh your memory.

Mr. BROWN. Okay.

Mr. YATES. Subject of fiscal year 1991 budget request. "During the past several months," he says, "the Bureau of Reclamation has received numerous oral assurances from BIA that BIA would support the current construction program for the Navajo Indian Irrigation Project which requires an appropriation of $27 million in fiscal year 1991. We have proceeded accordingly with investigations and designs for future construction contracts.

"On October 11, 1989, we learned that BIA's fiscal year 1991 budget request to OMB included no construction funds for NIIP"—

none. "This action will have the following impact on the construction program:

"One, designs that are currently in progress in our Denver office for the following contracts required for delivery of water to the final 46,700 acres of project will need to be terminated." Do you want them terminated?

Mr. BROWN. No, sir.

Mr. YATES. Well, what good is putting money into the 1992 budget if the designs are terminated this year? It doesn't make sense, does it? I don't know, when did you get this?

Mr. BROWN. What's that?

Mr. YATES. This is a draft. It's possible you never got it. I'll bet you you did, though. I'll bet you did. Can you check and see whether they sent it or not? I would bet they sent it.

But, at any rate, based upon this memorandum, everything would be ended because they have no money. Right? Why didn't you put some money into this budget? This was written to you in October. They say that they have received word on October 11, 1989 that your budget to OMB included no construction funds for this. Why didn't you put money in?

Mr. BROWN. Sir, as originally explained, based on the IG audit and the questions and issues raised, we felt we needed to look at the situation. I am not familiar with that letter. We'll be happy to go back and check on it.

Mr. YATES. But you do know that you put no money in the budget?

Mr. BROWN. Yes, sir.

Mr. YATES. How much were you going to put in for 1992?

Mr. BROWN. Let me refer to Mr. Hayes on that question.

Mr. YATES. Mr. Hayes?

Mr. HAYES. Sir, we're estimating in the neighborhood of $15 million may be requested for 1992. That's under consideration.

Mr. YATES. Why $15 million when the Bureau of Reclamation says they need $27 million?

Mr. HAYES. Sir, $15 million is just an estimate right at the present time. We have not completed our fiscal year 1992 budget.

Mr. YATES. But if the Bureau of Reclamation says they need $27 million, why do you ask for $15 million? How did you arrive at your $15 million?

Mr. HAYES. We would need to go back and revisit that figure, sir.

Mr. YATES. Okay, revisit it. Suppose the Committee, in its wisdom, decided to put the money in? Would you object to it?

Mr. BROWN. We'd be willing to work with Congress.

Mr. YATES. All right.

Mr. DICKS. And I can testify to that. [Laughter.]

Mr. YATES. What—that they will work with us?

PUYALLUP LAND CLAIM SETTLEMENT

Mr. DICKS. They've worked with us pretty well, I'd like to say, if you'll yield for a minute. I've appreciated very much the Secretary coming out to our final closure on Puyallup Indian land claim settlement, and being there. I thought it added a lot, representing the

Assistant Secretary. I just want him to know how much I personally appreciated that.

Mr. YATES. Do you feel that balances off the fact the Navajos didn't get their $27 million?

Mr. DICKS. It may have come late in the year. This Committee will have to make a judgment on that. We did last year on several items.

Mr. YATES. They didn't have any money in the budget for it last year.

Mr. DICKS. I know.

Mr. YATES. Or the year before. Or the year before. They haven't any money for Navajo irrigation. We put the money in.

Mr. DICKS. I know that, Mr. Chairman. So we may have to do it again.

Mr. YATES. Okay, all right. We're glad the Puyallups got their money. [Laughter.]

Where are we?

REFORM OF INDIAN POLICY

Mr. DICKS. May I ask a question?

Mr. YATES. Sure you may.

Mr. DICKS. I'd just like to ask a general question. Senator DeConcini and others have talked about various proposals for fundamental reform. What is this new Administration's view on what should be done about our basic Indian policy in this country? What's your basic approach to this?

Mr. BROWN. Very clearly, we see a strong need for some reorganization and change in the way that we formerly approached and worked with tribes. Particularly, we're operating on two or three principles: a government-to-government relationship, recognizing tribal self-determination, and also recognizing the trust responsibility that we have to carry out.

Based on those three, we have set——

Mr. DICKS. I got two, but I don't remember the third one.

Mr. BROWN. Okay. The government——

Mr. DICKS. Government-to-government, trust responsibility——

Mr. BROWN. And tribal self-determination. Based on those three, we have set out three major initiatives which we are currently addressing. They are education, economic development, and internal management and control. We have put together processes in each of those to bring about change. In economic development, we're currently re-evaluating the Department's and Bureau's situation and the support that we currently give tribes. We will be putting together a 1992 package in economic development.

EDUCATION REFORM INITIATIVE

In the area of education, we've held a series of mini-summits and have identified specific goals and objectives in education, which is one of the first times that we have been able to very clearly state what we hope to accomplish in the next 10 years.

Mr. DICKS. Do you have the money to do more in education? I notice in your budget that that part of the budget is up by $25.9 million.

Mr. BROWN. Yes.

Mr. DICKS. But, is that enough to start down the road of serious reform?

Mr. BROWN. I think that's phase 1, sir. We'll be looking at a package in 1992 to continue to carry that out. We're taking a look at the objectives of greater parent involvement, early childhood education, teacher enhancement, better monitoring of the schools, as well as raising the learning expectations of Indian students. In each of those, we have corresponding increases in the 1991 budget.

ECONOMIC DEVELOPMENT INITIATIVE

Mr. DICKS. What about on economic development? What's your strategy there?

Mr. BROWN. In economic development, it has never been as clear cut as in education what the role of the Bureau is. We have currently Indian Finance Act programs. In the last 60 days, I've asked for an internal review of those programs. We have met in a series of economic development conferences across the Nation with tribes and will be holding approximately three more to get tribal input. Based on that input, we are prepared to put an economic development package proposal in our 1992 budget as well as address some of the key legislation that's before Congress now in regard to economic development.

INTERNAL CONTROL INITIATIVE

Mr. DICKS. You mentioned internal management control. What are you trying to do there?

Mr. BROWN. In the internal management control, if you look at our 1991 budget, we have a number of requests everywhere from $1 million in audit and evaluation to $2.3 million in our trust fund management, to another $1 million to handle the backlog in probate. I think we have approximately $2.3 million in our ADP program, and I may be missing one of the others.

We're also working closely with the Under Secretary's office in coordinating the overall response to IG audits as well as the special investigative reports.

Mr. DICKS. One of the criticisms has been that not enough of the money goes out to the tribes. That's what I hear when I talk to some of our tribal leaders in the State of Washington. How do you answer that criticism? Does a lot of the money that we appropriate in this committee actually get out to the tribes themselves? I've heard numbers like 25 percent, as low as 25 percent. Is that anywhere near accurate?

Mr. BROWN. Let me get the percentage. Linda, what would be the percentage amount?

Ms. RICHARDSON. Based on where we spend the money, 80 percent of our appropriations for the Operation of Indian Programs are spent at the local level, by the agency, the school level, the tribes.

Mr. DICKS. Eighty percent?

Ms. RICHARDSON. Yes, sir.

Mr. DICKS. Could you document that?

[The information follows:]

BUREAU OF INDIAN AFFAIRS
Distribution of Budget

Program	CENTRAL OFFICE FY 1989 Enacted	CENTRAL OFFICE FY 1990 Post Seq	CENTRAL OFFICE FY 1991 Request	AREA OFFICES FY 1989 Enacted	AREA OFFICES FY 1990 Post Seq	AREA OFFICES FY 1991 Request	LOCAL FY 1989 Enacted	LOCAL FY 1990 Post Seq	LOCAL FY 1991 Request	BUREAUWIDE FY 1989 Enacted	BUREAUWIDE FY 1990 Post Seq	BUREAUWIDE FY 1991 Request	TOTAL FY 1989 Enacted	TOTAL FY 1990 Post Seq	TOTAL FY 1991 Request
School Operations				8,310	6,670	6,862	178,333	191,397	225,086				186,643	198,067	231,948
Johnson-O'Malley							23,000	23,252	20,548				23,000	23,252	20,548
Continuing Education							26,314	30,461	29,672				26,314	30,461	29,672
Tribe/Agency Operations							32,546	31,706	31,122				32,546	31,706	31,122
Subtotal, EDUCATION	0	0	0	8,310	6,670	6,862	260,193	276,816	306,428	0	0	0	268,503	283,486	313,290
Tribal Government Svcs	1,777	2,284	2,718	1,485	1,415	1,821	5,524	3,429	3,308				8,786	7,128	7,847
Social Services	1,024	1,083	1,126	1,114	1,153	981	91,084	89,096	91,021				93,222	91,332	93,128
Law Enforcement	1,343	1,332	1,613	521	575	640	2,152	2,907	3,120				4,016	4,814	5,373
Self-Determination	542	0	553	536	483	0	56,566	57,347	48,813				57,644	57,830	49,366
Employment Development	221	141	144	230	169	173	2,234	2,708	1,799				2,685	3,018	2,116
Tribe/Agency Operations							124,812	130,983	144,351				124,812	130,983	144,351
Subtotal, TRIBAL SVCS	4,907	4,840	6,154	3,886	3,795	3,615	282,372	286,470	292,412	0	0	0	291,165	295,105	302,181
Navajo-Hopi Settlement							1,985	988	1,027				1,985	988	1,027
Bus.Enterprise Dev	1,514	1,519	2,006	917	920	914	8,370	8,163	7,946				10,801	10,602	10,866
Road Maintenance	52	0	0				30,923	0					30,975	0	0
Tribe/Agency Operations							3,523	3,494	3,678				3,523	3,494	3,678
Subtotal, ECON.DEVEL	1,566	1,519	2,006	917	920	914	42,816	11,657	11,624	0	0	0	45,299	14,096	14,544
Natrl Resources, General	0	118	862	421	717	826	1,846	1,944	1,971				2,267	2,779	3,659
Agriculture	303	300	305	1,147	1,202	727	4,436	10,517	10,738				5,886	12,019	11,770
Forestry	1,102	1,452	1,477	1,501	1,151	1,111	34,669	10,124	12,619				37,272	12,727	15,207
Water Resources	467	463	430	0	0	0	9,600	9,508	7,263				10,067	9,971	7,693
Wildlife & Parks	398	394	408	0	148	155	26,333	26,940	22,919				26,731	27,482	23,482
Minerals & Mining	679	777	889	468	462	360	14,425	4,074	3,308				15,572	5,313	4,557
Tribe/Agency Operations							50,307	53,723	53,963				50,307	53,723	53,963
Subtotal,NAT.RESOURCES	2,949	3,504	3,871	3,537	3,680	3,179	141,616	116,830	112,781	0	0	0	148,102	124,014	119,831
Indian Rights Protection	736	778	798	364	643	818	14,941	15,094	15,944				16,041	16,515	17,560
Real Estate/Fin Trust	2,455	2,732	5,515	2,883	3,690	3,509	12,134	9,764	12,991	1,790	3,653	4,233	19,262	19,839	26,248
Tribe/Agency Operations							23,495	23,606	24,281				23,495	23,606	24,281
Subtotal,TRUST RESPONS	3,191	3,510	6,313	3,247	4,333	4,327	50,570	48,464	53,216	1,790	3,653	4,233	58,798	59,960	68,089
Facilities Management	0	0		3,776	4,107	4,771	67,736	68,577	69,355	9,941	11,944	13,035	81,453	84,628	87,161
Management & Adminis	9,003	9,962	12,203	18,440	18,452	19,872				10,708	13,120	16,021	38,151	41,534	48,096
ADP Services	5,941	6,000	7,193							11,709	11,956	13,470	17,650	17,956	20,663
Employee Comp Payments										14,962	18,230	11,449	14,962	18,230	11,449
Program Management	6,016	6,837	7,755										6,016	6,837	7,755
Consolidated Training										840	829	1,040	840	829	1,040
Tribe/Agency Ops							19,843	20,554	23,059				19,843	20,554	23,059
Subtotal, GEN ADMIN	20,960	22,799	27,151	18,440	18,452	19,872	19,843	20,554	23,059	38,219	44,135	41,980	97,462	105,940	112,062
Calendar YR Contracting								53,271						53,271	
OPERATION OF INDIAN PROGRAMS	33,573	36,172	45,495	42,113	41,957	43,540	867,131	883,627	869,902	49,950	59,732	59,248	992,767	1,021,488	1,018,185

1/25/89 (FY 1991 President's Budget)

BUREAU OF INDIAN AFFAIRS
Distribution of Budget

Program	CENTRAL OFFICE FY 1989 Enacted	CENTRAL OFFICE FY 1990 Post Seq	CENTRAL OFFICE FY 1991 Request	AREA OFFICES FY 1989 Enacted	AREA OFFICES FY 1990 Post Seq	AREA OFFICES FY 1991 Request	LOCAL FY 1989 Enacted	LOCAL FY 1990 Post Seq	LOCAL FY 1991 Request	BUREAUWIDE FY 1989 Enacted	BUREAUWIDE FY 1990 Post Seq	BUREAUWIDE FY 1991 Request	TOTAL FY 1989 Enacted	TOTAL FY 1990 Post Seq	TOTAL FY 1991 Request
Irrigation Construction	192	191	224	1,458	1,456	1,486	19,260	27,634	600				20,910	29,281	2,310
Construction B&U							33,650	38,092	35,258				33,650	38,092	35,258
Fish Hatchery Rehab							1,900	1,584	0				1,900	1,584	0
Land Acquisition							0	4,158	0				0	4,158	0
Employee Housing							0	495	1,000				0	495	1,000
Housing	236	246	250				22,587	21,993	19,974				22,823	22,239	20,224
Road Mntc & Constr							0	31,284	37,307				0	31,284	37,307
Contract Support							0	9,717	7,000				0	9,717	7,000
TOTAL CONSTRUCTION	428	437	474	1,458	1,456	1,486	77,397	134,957	101,139	0	0	0	79,283	136,850	103,099
REVOLVING FUND FOR LOANS							0	0	0				0	0	0
LOAN GUARANTY							3,370	4,718	11,487				3,370	4,718	11,487
MISCELLANEOUS PAYMENTS TO INDIANS				143	198	197	13,809	191,666	52,210				13,952	191,864	52,407
NAVAJO REHABILITATION TRUST FUND								800	0				0	800	0
TOTAL BIA - ALL FEDERAL FUNDS	34,001	36,609	45,969	43,714	43,611	45,223	961,707	1,215,768	1,034,738	49,950	59,732	59,248	1,089,372	1,355,720	1,185,178

Mr. DICKS. Let me take a look at this. So you feel that that criticism is unfair?

Mr. BROWN. Yes.

Mr. DICKS. Could we do better than 80 percent?

Mr. BROWN. Yes, possibly. I think as we begin to take a look at some of the new 638 amendments that address contracting, tribal governments contracts, et cetera, yes, we may.

SELF-GOVERNANCE

Mr. DICKS. How does that work? How is the self-governance approach working so far?

Mr. BROWN. Currently we have 17 tribes who have planning grants in tribal self-governance. Under Title 3 of the 638 amendments, those tribes are eligible to come back in and submit proposals to the Bureau and the Department in regard to actually identifying and negotiating those dollars that they would like to have come directly to them.

Mr. DICKS. Has this been resisted by the Department? How do you feel about it yourself personally? Is there a resistance to this approach in the agency?

Mr. BROWN. I don't know if I'd call it resistance, sir. I think what we have here is a lot of concern and complex issues.

The idea, for instance, of the divisibility of funds when you have a multi-tribal agency is complex. One tribe says, "Well, we want a tribal government. We want to break out our money." The question is, How does that begin to break out? How do we begin to divide that and begin the negotiations?

Mr. DICKS. How does it affect everybody else who isn't in the self-governance plan?

Mr. BROWN. Yes, it will have direct impact. We currently have set up within the Department under Secretary Lujan a task group to begin to negotiate with the tribes that have submitted proposals. We have five tribes right now that have submitted proposals, five of which received planning grants, two of which did not. They have all been notified that we'll be sitting down and negotiating with them.

Mr. DICKS. It would seem to me that this ought to be treated like a social experiment. In other words, you ought to go ahead but the other tribes should not be penalized for the fact that we're doing this with these 17 tribes. Is there a way to do that?

Mr. BROWN. Let me check.

Mr. DICKS. It doesn't mean that the other tribes should be penalized. On the other hand, if you're going to try to see whether it works or not, it seems to me you ought to have a little bit of flexibility in the funding area. I know it's easy to say and hard to do, but is there a way to approach that?

Mr. BROWN. Let me——

SELF-GOVERNANCE DEMONSTRATION PROJECTS

Mr. DICKS. How are you trying to deal with that?

Mr. BROWN. Right now, we've got a task group, put together. We're looking at what the impacts are and how that would affect the other tribes that are not participating, particularly in those 19 tribal

agencies, but that is—am I correct to say that the legislation has a sunset clause to it? Yes, so it is viewed as a demonstration.

Mr. DICKS. Right. What is the sunset clause? How long is this in place, five years?

Ms. RICHARDSON. Yes, we've had three years for planning and will have two years for operation.

Mr. DICKS. And then at that point you take a look and see how it's worked? Was this done by legislation?

Ms. RICHARDSON. The process was initially started by the appropriations committees. The first money was provided for the planning grants by the appropriations committees, and then in the following year it was added as Title 3 of the Indian self-determination amendments.

Mr. DICKS. What year are we in now?

Ms. RICHARDSON. Fiscal year 1990.

Mr. DICKS. This started in 1990?

Ms. RICHARDSON. The first planning grants were available in 1988.

Mr. DICKS. So 1988, 1989, and 1990 are the three years for planning; then two years of operation; and then we'll make a judgment at that point?

Ms. RICHARDSON. Correct.

Mr. DICKS. How would you say it's going thus far, Mr. Secretary?

Mr. BROWN. We have five tribes that participated in the initial planning and that have submitted proposals for negotiation. We will be moving to negotiate with a total of seven. We have two other tribes that were not involved in the earlier planning process which are also eligible to participate.

Mr. YATES. Will you yield for a moment?

Mr. DICKS. Yes.

SELF-GOVERNANCE FUNDING

Mr. YATES. Did he respond to a question that you asked as to why they deleted the funds these self-governance tribes needed from the budget?

Mr. DICKS. No, I didn't get to that. Why was that money deleted?

Mr. BROWN. We have three years of planning that has taken place. We're now ready for the actual demonstration.

Mr. DICKS. So you didn't put demonstration money in because you're not ready yet?

Mr. BROWN. We've got the——

Ms. RICHARDSON. The money to run the programs would come from funds currently available to the Bureau or the tribe. It's identifying the funds that are currently available at the agency level, the area level, and then restructuring the programs with those same dollars to have a program that comes closer to tribal requirements.

Mr. YATES. How much money is available at that level?

Ms. RICHARDSON. It will vary from tribe to tribe.

Mr. YATES. Is there enough? Do you know whether there's enough?

Ms. RICHARDSON. I haven't seen the applications.

Mr. YATES. Suppose there isn't enough? What happens then? If there's no money in your budget and not enough money in their budget, won't this hamper the initiative?

Ms. RICHARDSON. I would think it would be part of the negotiations with the tribe, Mr. Chairman, if we wanted to get started with something that was less than optimum level and then looked at the requirements in the outyears.

Mr. YATES. Well, but isn't this initiative so important that you ought to have sufficient funds with which to carry it out at this time? Is my appreciation for this effort unduly grandiose or optimistic? I conceive of this effort toward self-governance as being the kind of initiative that almost every Administration has wanted the Indian people to undertake since as long as I can remember. Doesn't it hold that kind of importance so that we, the Bureau of Indian Affairs, ought to give them every cooperation? If you don't have any money to do this with, if there isn't enough money on the local levels, won't that hamper the initiative? How am I wrong in that understanding?

Mr. BROWN. Potentially, sir, yes, if there are not enough dollars, yes, that would tend to hamper.

Mr. YATES. Well, how long does it take to find out whether they have enough money?

Mr. BROWN. Well, depending on what the tribes include in their proposals, the dollar amounts they're requesting would have to be negotiated. That negotiation has not started yet. There are, as I indicated, seven tribes who have submitted proposals and are prepared for negotiation.

PROPOSALS FOR SELF-GOVERNANCE PROJECTS

Mr. DICKS. Let me ask this: Based on the proposals that were submitted, are they asking for a lot more money than they would have gotten under traditional programs? Is that the problem here? Do we have a gap between what they're asking for, which I'm sure is significant, and what they normally would have gotten? Is that the problem?

Mr. BROWN. Mr. Eden?

Mr. EDEN. The intent of Title 3, as we read it, is a research demonstration program, and it's to take the existing dollars and be able to redesign those and have a great deal of flexibility.

Mr. DICKS. It's like a block grant concept. In other words, instead of having all these narrow categories of money that comes back, you give it to them kind of in a lump sum for tribal governance and they claim they can do it better that way. Is that the basic approach we're talking about?

Mr. EDEN. That principle can be used. One of the important things that was to be done was for them to identify the obstacles that might be there in terms of dealing with us, dealing with other parts of the law itself that need to be identified, and to look for ways of removing those obstacles, so that they really have some flexibility and capability of being self-governing and not continuously dependent upon the Bureau of Indian Affairs, the Federal Government.

The negotiation process is the crucial place where all that starts, where the Department will sit down tribe by tribe and negotiate what it is that they are going to do and how we will interact with them. That is a process that is being handled——

Mr. DICKS. Do you see this as a way of weaning the tribes off the Federal Government in terms of responsibility? I don't see it that way.

Mr. EDEN. No, sir.

Mr. DICKS. It sounded like you were saying that.

Mr. EDEN. Then I misspoke. I didn't mean it——

Mr. DICKS. Did anyone else understand it that way?

Mr. EDEN. I didn't mean it that way at all. It is self government.

Mr. DICKS. You said something like, "not have to rely on the Bureau of Indian Affairs."

Mr. EDEN. For making a daily decision.

Mr. DICKS. In their lives? Okay, I've got it, in that respect, letting them make the judgments themselves without having you have to sign off on everything.

Mr. EDEN. Yes.

Mr. DICKS. I've got it. I just wanted to be sure I understood.

What about timing here? When do we think we're going to have some of these agreements negotiated?

NEGOTIATIONS FOR SELF-GOVERNANCE PROJECTS

Mr. BROWN. As far as timing of the negotiating teams, our team has been put together. What do we know specifically on time?

Mr. EDEN. Secretary Lujan has assigned Mr. Bill Bettenberg to be the lead negotiator.

Mr. DICKS. Is he from MMS days?

Mr. EDEN. He is on the Secretary's staff now, and he will serve as the lead negotiator.

Mr. DICKS. Very able.

Mr. EDEN. Meetings are underway now.

[Discussion off the record.]

Mr. YATES. This is a worthwhile project.

Mr. EDEN. We agree, sir.

Mr. YATES. Well, I wonder whether you do. I wonder whether the Secretary does, why you're doing it this way.

Mr. BROWN. We had requests from the tribes early on, particularly the first five tribes, to not have the Bureau involved in the negotiation because it was felt by the tribes that there was a conflict of interest to have the Bureau involved in tribal governance. At that time, an outside negotiator was requested.

Based on that, the Secretary selected Mr. Bettenberg.

Mr. YATES. Is he an outside negotiator?

Mr. BROWN. Well, he is outside of the Bureau.

Mr. DICKS. He's not BIA.

Mr. BROWN. He's not BIA.

Mr. YATES. Oh, that's not the kind of outside negotiator that's requested. They want outside of the Government.

Mr. BROWN. Now Mr. Bettenberg will be supported by——

DAN EVANS RECOMMENDED AS NEGOTIATOR

Mr. YATES. They suggested former Senator Dan Evans. Why didn't the Secretary select him?

Mr. BROWN. I am not privy to that information, sir.

Mr. YATES. I think we ought to find out from the Secretary as to why he didn't appoint Dan Evans.

Mr. DICKS. An outstanding choice.

Mr. YATES. He would have been an outstanding choice. I don't think there's any question about that. I think we ought to contact the Secretary's office about this.

Will you yield for a question?

Mr. DICKS. Certainly.

FUNDING TO TRIBES FOR NEGOTIATIONS

Mr. YATES. In their letter to the Secretary, a copy of which I take it went to you—it went to me; it went to the Secretary. Well, now, I hear it didn't go to you. You didn't get a copy of this letter apparently. We'll make a copy available to you.

This letter to the Secretary requested that Dan Evans be appointed, and it went on and said, "Other preconditions to negotiation that we propose include: one, the receipt by each of our tribes of adequate funds for negotiation as specifically provided in our last year's appropriations Act; two, the identification by the Department of all programs, services, functions, and activities, including financial data relevant to each of our tribes, and a copy of the Bureau of Indian Affairs proposal and budgets for the distribution of resources, reduction or transfer of personnel, and consolidation of program functions, as provided in the Conference Report."

Has all that been done? Mr. Secretary, has all that been done?

Mr. BROWN. I do not know, sir.

Mr. YATES. Who would know?

Mr. EDEN. I'm not sure that it all has been done.

Mr. YATES. How much has been done?

Mr. EDEN. I don't have that information with me.

Mr. YATES. Does anybody here know how much has been done? This was in our Conference Report for fiscal year 1990. This was issued about six months ago.

Ms. RICHARDSON. The grant applications for the funds that were included in the fiscal year 1990 budget are being reviewed and rated this week in the central office. So their request for funds for negotiation, which I believe is $20,000, is under review this week, along with the other applications that have been submitted for the planning grants.

REPORT TO CONGRESS BY SELF-GOVERNANCE TRIBES

Mr. YATES. How interested is the Bureau of Indian Affairs in seeing the successful conclusion of this initiative?

Mr. BROWN. Sir, I would consider, given the situation, that it's something that we must become very interested in. Secretary Lujan has indicated a strong interest in our efforts to try to move this forward.

Mr. YATES. Well, I must tell you that I have a contrary impression. I have the impression that BIA is interested in seeing this ex-

periment fail. Let me read to you from a report by the four tribes in a letter addressed to Ms. Johnson of the professional staff, dated May 7, a copy of which went to Mr. Dicks and a copy to Mr. Smith.

It talks about the report. We'll make this available to you, too. "There's a briefing report comparing the BIA and self-governance tribes involvement and support for the self-governance demonstration project. I consulted with the Hoopa, Lummi, and Quinault tribes in preparing the report."

Basically the report describes a noncommunicative and a noncooperative BIA bureaucracy, unwilling to recognize the significance and potential of the self-governance demonstration project. "The self-governance demonstration tribes have initiated almost all activities to implement the project. The BIA gives lip service to self-governance while supporting a competitive, consolidated contract funding program that does not threaten the existing bureaucracy by requiring resource transfers and reductions.

"Of great concern is the BIA reluctance to pursue the congressionally-directed budget research and resources transfer proposal. Without the necessary planning by the BIA, the potential for administrative chaos and inter-tribal disputes with multi-tribe agencies is dramatically increased as the first 10 tribes enter the negotiations phase. This nonaction and unpreparedness at this crucial juncture in the project could seriously jeopardize the negotiations.

"I also enclose for your information a copy of Secretary Lujan's 4/26/90 letter to the Hoopa, Jamestown, and Puyallup tribes on the Department's willingness to proceed with the self-governance negotiations. Unfortunately, a one-month delay by the Department creates further difficulty in achieving timely negotiated self-governance contracts agreement for congressional consideration."

And then there's a draft report attached, which says that BIA has not initiated any research to identify appropriate resource transfer proposals, particularly at the area agency office levels in Portland and Sacramento.

"When BIA's central office officials were contacted by Hoopa tribal representatives in an attempt to collect financial and other information, they were referred to the Sacramento area office. When contacting the Sacramento area office, tribal representatives were informed no BIA central office staff had contacted them regarding the self-governance demonstration project. Area office officials confirmed that no method or criteria has been developed, or even attempted, for how the self-governance demonstration project can be implemented."

But you think that all this is offset by the fact that the Assistant Secretary came out to the project?

BUREAU'S REPORTED FAILURE TO COOPERATE

Mr. YATES. I was kind of surprised by that.

Mr. DICKS. I didn't mean to infer—I wasn't even trying to enter in on your discussion of the earlier item. I thought that was finished. I just wanted to say I appreciated the Secretary coming out.

Mr. YATES. Well, sure.

Mr. DICKS. I certainly don't condone any lack of cooperation with this Committee.

Mr. YATES. That's right, but the record of the BIA on the irrigation project, the record of the BIA on this cooperative project, the record of the BIA on trust funds for the Indian people, the record of the BIA on so many things is so bad that one wonders, you know, why we shouldn't find other means of carrying out these projects. In fact, that has to be done for the best interest of the tribes.

Mr. DICKS. If the chairman would yield.

Mr. YATES. I will in a minute.

Mr. DICKS. As I said when we started, there have been these criticisms. I'm trying to give the Secretary a chance to answer them.

Mr. YATES. Well, but he hasn't answered them. The answers have been that this Assistant Secretary hasn't had the information. Nobody here has got the information.

The report that we have from the tribes is that every obstacle is being placed in the way.

Mr. DICKS. That was certainly the testimony when we had the Indian tribes in here.

Mr. YATES. That's right. That's right.

Mr. DICKS. I happened to chair that day.

Mr. YATES. Sure.

Mr. DICKS. And that's certainly the impression we got, that they weren't cooperating.

How do you answer that?

Mr. BROWN. Mr. Chairman, if I may, let me say that Secretary Lujan and I are committed to see that these tribal governments projects are negotiated.

Mr. YATES. If that's true, how is it possible that we get this kind of a report from the four tribes?

SELF-GOVERNANCE NEGOTIATIONS

Mr. BROWN. Sir, I cannot speak for all of the specifics that have been indicated there. I can only speak that in our discussions with the Secretary in setting up the negotiating team, that we are prepared to move this. We have laid out a plan and have been more than——

Mr. YATES. What is the plan?

Mr. BROWN. Mr. Bettenberg has been identified as the lead for the negotiating team. And we have provided support staff.

Mr. YATES. To my mind, the appointment of Mr. Bettenberg rather than Senator Evans, is an indication that you want obstacles placed in the way of this. Mr. Bettenberg is a very able person, but he is the essence of bureaucracy. He moves so slowly. If I were to want somebody to drag on completing a project, I would appoint Mr. Bettenberg to move it forward.

Mr. BROWN. Let me assure you that that's not the intention at all.

Mr. YATES. To move it forward——

Mr. DICKS. With glacial speed.

Mr. YATES. Right.

Mr. BROWN. Let me assure you that that is not the intent at all.

Mr. YATES. But that's been the intent so far.

Mr. BROWN. Well, if——

Mr. YATES. That's actually what's happened.

Mr. BROWN. Well, with the study—what's the date of that letter, sir?

Mr. YATES. May 7.

Mr. BROWN. May 7.

Mr. DICKS. Mr. Secretary, it sounds to me like maybe you and the Secretary, Mr. Lujan have the right intent, but somebody's got to communicate with these area offices. That's where the problem is. What they're saying is that they hear all these fine platitudes back here. When they get out there in the field, they're running into resistance.

What you've got to do is get those regional people and tell them, this is what we're going to do; whether you like it or not, this is what we're going to do. That's what you apparently haven't done. That certainly came across. We had all the tribes in here, and there isn't any tribe that feels any different than what the Chairman has suggested.

It seems to me that if you really are sincere about trying to make this demonstration work, you've got to get the message out to your field offices.

Mr. BROWN. Sir, on May 2nd, I sent a memo out to all my deputies that says, "In order to move forward the Title 3, tribal self-determination demonstration grants in the Bureau of Indian Affairs, the Bureau needs to address such issues," and I've laid out those issues.

In addition to funds and research, I laid out exactly what that process is.

Mr. DICKS. Could we have a copy of that for our records?

Mr. BROWN. We can make that available, sir.

[The information follows:]

United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

MAY 2 1990

Memorandum

To: All Deputies to the Assistant Secretary - Indian Affairs
All Area Directors and Area Education Programs Administrators
All Superintendents and Superintendents for Education

From: Assistant Secretary - Indian Affairs

Subject: Tribal Self-Governance Demonstration Project

In order to move forward with Title III of P.L. 100-472, Tribal Self-Governance Demonstration Project in the Bureau of Indian Affairs (Bureau), the Bureau needs to continue to address such issues as:

— The divisibility of resources;

— The contractibility of unique programs and functions, i.e., trust, executive direction, general administrative services, etc.;

— The application and review processes relative to demonstration projects;

— The analysis of the effects of proposals on the Bureau; and,

— The consolidation of residual program functions in anticipation of the negotiation of Title III research and demonstration projects in FY 1990.

In addition to the funds a research and demonstration project tribe already receives through its contracts and grants with the Bureau, it is entitled to an amount equal to the cost of services to the tribe and its membership. Where these funds may be derived and, in fact, reasonable funding levels is a major issue to be addressed in the Bureau regarding Title III at this time. In determining possible resource levels and fund availability, the Bureau must consider the impact on the programs or services currently available to other tribes in the same service agency or Area Office jurisdiction, the amount of funds needed to administer and oversee an agreement with the research and demonstration tribe and the cost of carrying out the Secretary's trust responsibility to the research and demonstration tribe as well as to the other tribes in the same service agency or Area Office.

As regards the programs or functions which may be assumed by a research and demonstration tribe, the Bureau must examine in great detail the trust functions which cannot be diminished in any way by any agreement which may be negotiated now or in the future.

To adequately address these issues, I am appointing a task group to represent this office and to act in concert with the Department and all Bureau offices as regards the Title III Tribal Self-Governance Demonstration Projects. The group will be chaired by the Sacramento Area Director, Ronald M. Jaeger, and will have permanent membership as follows:

— The respective Area Director and Superintendent, or other line officer, from those jurisdictions wherein the Bureau now has a request for negotiations, i.e., Sacramento, Portland, Minneapolis and possibly Muskogee Area Offices;

— A Self-Determination Analyst from the Bureau's Division of Self-Determination Services;

— A Budget Analyst from the Bureau's Division of Program Development and Implementation;

— A Budget Analyst from a Bureau Area Office;

— A representative from the Bureau's task group developing the new regulations implementing P.L. 100-472.

In addition, general membership in the task group will be drawn from the major offices and divisions within the Central Office as well as from other Area Offices and agencies where there is interest, so that the group may examine the issues outlined above in real terms. Technical support will be sought from the Office of the Solicitor on an as-needed basis.

FUNDING FOR SELF-GOVERNANCE PROJECTS

Mr. BROWN. That is based on our discussions with the Secretary. Again, I want to——

Mr. DICKS. I don't impune your integrity here at all. It's just that somehow the tribes have this feeling that you all are not serious about this. I think the proof is going to be in how these negotiations come out and then whether the Administration requests the funding to make these demonstrations work. I understand the difficulty of that, because you have X amount of money and you're going to do more for self-governance. It sounds to me like you're going to take it out of the pot for everybody else. That's going to cause everybody else to be upset.

Now how do you solve that problem?

Mr. BROWN. That, I believe, is part of the process.

Mr. DICKS. Can that be solved?

Mr. BROWN. Yes, and——

Mr. DICKS. Protect the other people so that they don't get penalized for this demonstration on self-governance? It seems to me that's very crucial.

Mr. BROWN. Yes, and that's clearly one of the issues raised on the divisibility, and how do you begin to divide those dollars up, particularly in the multi-tribal agency. That's clearly an issue and a concern which we're looking at.

Mr. DICKS. We're three years into this. At some point don't we have to make some decisions on how we're going to do this?

Mr. BROWN. Clearly. I'm making no excuses for the past, sir. I'm indicating that we've got this before us and we're trying to move it.

Mr. DICKS. Again, when these negotiations are underway, when do we think we'll have some decisions made?

Mr. BROWN. Ron, specifically have we set——

Mr. EDEN. All of the impacted area directors and the superintendents from whence these tribes are coming, have a meeting scheduled May 22–24 in order to start dealing with the issue of the divisibility, and how we break out those dollars, because that is a very important issue. There is a requirement that in doing this that we not adversely impact any of the other tribes that are there in this multi-tribal agency. It is going to be difficult, but it is something we need to do, and we intend to do.

Mr. DICKS. Well, then, I go back to the chairman's question: How do you solve it if you haven't requested any money in your budget to solve it?

Mr. EDEN. The intent of the law, as I read it, is that we are to do it within the existing budget, with existing funds that are there.

Mr. YATES. What funds are there?

Mr. EDEN. Funds that are available at the agency level, funds that may be specific for a tribe at the area and central office levels.

SELF-GOVERNANCE BUDGET

Mr. DICKS. Didn't we add money in 1990 for this? How much? Well, $1.2 million was added for planning and negotiations. Now what have you done with that money?

Mr. EDEN. That money has gone to the tribes. That's money for them, not for us.

Mr. DICKS. To negotiate with you?

Mr. BROWN. For planning, we have 17 tribes that have participated.

Mr. DICKS. I understand that. But you requested no money for planning and negotiations in 1991; isn't that correct?

Mr. BROWN. Yes.

Mr. DICKS. Do you need money in 1991 for planning and negotiations? Aren't these negotiations going to occur in 1991 as well? How are you going to do it if you don't have any money to do it with?

Mr. EDEN. Our intention is that the negotiations will be done this year.

Mr. DICKS. All will be completed in 1990?

Mr. EDEN. That's the intent.

Mr. DICKS. Is the $1.2 million that we've appropriated sufficient to do this entire job in 1990?

Mr. EDEN. I hope so.

Mr. DICKS. Do you know or do you hope?

Mr. EDEN. It's the money that we have.

Mr. DICKS. Will that do the job? That's the question I'm asking you. Is it adequate to do the job?

Mr. EDEN. The tribes that have made a request to sit down and start negotiating have received $20,000 apiece—I believe I'm correct on that—in order to do the kinds of internal work that they needed to help them get ready to negotiate.

Mr. DICKS. That's four tribes, correct?

Ms. RICHARDSON. Five that have planning grants and two others.

Mr. DICKS. Well, it says here that, "In BIA's specific request there are no appropriations for self-governance demonstration projects in the budget justification for 1989, 1990, and 1991. Each year the BIA has not released the planning grants or negotiating grants to coincide with the termination of previous funding, creating a hiatus of financial support for project activities at the tribal level."

It doesn't sound like you're trying to make this thing work.

Mr. YATES. Why didn't you request money? Why don't you—in the central office, why don't you—

Ms. RICHARDSON. Mr. Yates, the demonstration is only for a five-year period. Fiscal year 1990 is our third year of planning grants. If we were to request planning grants in 1991 and it went on for a two-year planning process, it gets to the end of the authorization before there would ever be a project, because five years is all that is authorized for both the planning and the actual operation of the projects.

We finished our three-year planning with fiscal year 1990, and it allows then two years for the operation of it before——

Mr. YATES. They haven't reached that stage, have they?

Ms. RICHARDSON. At least seven tribes have.

Mr. YATES. What happens to the new tribes in the planning process? There's no money that you've requested.

Ms. RICHARDSON. They would have two years of planning as opposed to three.

Mr. YATES. There's no money for it, though, is there, in your budget?

Ms. RICHARDSON. That's correct. However, there are two tribes who have submitted proposals that never received a dime for planning grants and came forward with a proposal.

IMPACT OF SELF-GOVERNANCE ON NON-PARTICIPATING TRIBES

Mr. YATES. All right, Linda, let me ask you a question: what should be done here, should the grace of God place you on this side of the table for so many years—you are now with BIA and you want to get this done. Do you need money to get it done?

Ms. RICHARDSON. Mr. Chairman, we had this conversation a couple of years ago when Mr. Swimmer was still here. If we look at the process as a way for those tribes who apply to increase their budget, when we're not doing anything in particular for the other 400 tribes, then is that really what self-governance is about?

Mr. YATES. No, that isn't the truth, though. What we're trying to do here is to permit a certain number of tribes who want to achieve some independence for themselves to have every cooperation that they can to achieve that independence. The fact that they can do that doesn't place in jeopardy the rights of the other tribes, as I see it. The other tribes are going their own way, as they have gone. If they want to continue to do that, fine. If they want to move in the other direction that the first group of tribes is doing, fine for that, too.

But, as I see it, providing funds for those tribes that want independence does not place in jeopardy the rights of any of the other tribes. If it does, I want you to tell the Committee how it does, because we will correct it. How does it do that?

Ms. RICHARDSON. Obviously, adding funds would not negatively impact other tribes.

Mr. YATES. Well, that's right. That's why I didn't understand your statement. The fact that you pay attention to this group of tribes doesn't mean that the other tribes are going to suffer, does it—or does it? Do you have an impression that it would?

Ms. RICHARDSON. No, they would not suffer.

Mr. YATES. That's the impression I have, too. So I want to help these tribes that are trying to achieve their independence. I know the Committee wants to help these tribes to move forward. We're trying to find out from you how much money is needed.

We have a report from those tribes saying that they don't have adequate funding. We ask you—you don't put any money in the budget for it. I don't know whether you offered to put money in the budget and OMB struck it out or whether you didn't try to put money in the budget. I think you ought to have some funds in the budget that would enable you to cooperate with them unless you're not interested in cooperating with them, unless there is an effort to preserve the BIA bureacracy, both at the central level and on an area level. That, I think, would be most unfortunate.

If you need money, tell us how much money you need in order to achieve the kind of cooperative effort that will assure some measure of success. That's what we want.

NEGOTIATING TEAMS

Mr. DICKS. Well, let me ask this question: we are told that Mr. Bettenberg has told the tribes that negotiation teams need to be appointed. Is that true? Are they going to have teams? Bettenberg isn't going to do this himself? He's going to supervise it and he's going to have a team to negotiate with each of the tribes? Is that how you understand it?

Mr. BROWN. I'm not sure at this time. As I understand, he will be the lead negotiator. Whether or not he will add teams is unclear at this time.

Mr. DICKS. Does anybody know? Do you know?

Mr. EDEN. I expect that we are going to be sitting there at the table with Mr. Bettenberg as we negotiate with the tribes.

Mr. DICKS. Well, apparently somebody had said that he is going to appoint teams. He also says that apparently these appointments have not yet been made; is that accurate?

Mr. BROWN. The appointment of Mr. Bettenberg was made in a letter from Secretary Lujan indicating that he would be staffed with a BIA and a Solicitor's representative, who are to be chosen.

Mr. DICKS. But they haven't been chosen. For each of these negotiations, you have to have these people and they haven't been chosen.

Mr. BROWN. Right.

Mr. DICKS. Why have they not been chosen? Why is there this foot-dragging?

Mr. BROWN. I don't think it's foot-dragging, sir. That was a development that happened just in the last few weeks at the direction and discussion with the Secretary. That is moving along.

Exactly how Mr. Bettenberg chooses to proceed is up to him. We have a model that we followed in our Water Policy Council on water negotiations. At the meeting that I attended the discussion was that perhaps we could look at that model depending on the type of load that was there and whether or not one team could do it all or whether it would require a number of teams.

Since the tribes came from different areas, we thought perhaps the BIA and the different solicitors may want to be represented to assure that we had the agency and area directors' input and understanding as to the situation.

Mr. DICKS. How long is it going to take for these negotiations?

Mr. BROWN. That question has been asked. At this time, I do not have that answer, sir. We're going to try to move that along as quickly as possible.

Mr. DICKS. We were told that the reason that these are being delayed is they want to see this Committee mark up first, because they don't want to put up any additional money, there won't be additional money then so that we will not have the benefit of knowing what the outcome of the negotiations are. This is an OMB directive.

Is there any such OMB directive?

Mr. BROWN. No, sir, I have not seen any directive as such.

Mr. DICKS. Well, I mean off——

Mr. BROWN. Not even off the cuff.

Mr. DICKS [continuing]. Maybe a little whisper here or a little whisper there. [Laughter.]

Mr. BROWN. I have not heard any whisper at this point.

Mr. DICKS. "Why don't you guys hold up until the Yates markup?" I can understand that.

It sounds to me, Mr. Chairman—and I do agree with you on this and strongly support what you're trying to do—that we need to get Mr. Bettenberg up here.

Mr. YATES. Well, I'd rather not. [Laughter.]

Mr. DICKS. He's going to have the answers.

Mr. YATES. Okay. I don't know why the Secretary appointed Mr. Bettenberg. He was requested to appoint an outside negotiator. Mr. Bettenberg works for the Department. While he doesn't work for the BIA, he is not outside the Department.

Secondly, there will be BIA negotiating teams helping Mr. Bettenberg; is that correct?

Mr. BROWN. Yes, sir.

Mr. YATES. Okay. Now that's not outside the BIA and it's not outside the Department. I would hope that the Secretary would reconsider and show his cooperation with the tribes by appointing a nonpartisan—I don't mean nonpartisan, but a very able person that was suggested, in the person of Senator Evans.

Mr. DICKS. It's a good choice.

Mr. YATES. There are certain aspects of this that are unfortunate. I would have liked to have seen every cooperation given. I don't think the Secretary or the Department is giving every cooperation. I think that's most unfortunate.

I don't know where we're going with this. I would want you, Mr. Secretary, to furnish to this committee the sum of money you need to really place this on a cooperative level both by the Department and by the tribes.

[CLERK'S NOTE.—No information was submitted to the committee.]

NAVAJO WATER RIGHTS

Mr. YATES. Well, let's turn to another subject. Before we do that, let me just go back to the Navajo irrigation for a moment. I just want to point out to the Secretary, and I want to put this in the record. It's a letter from Mr. Haskie, the interim chairman of Navajo, addressed to Secretary Lujan, in which they correctly point out that in 1962, as you point out, Congress authorized the construction of the NIIP to provide for agricultural development on the Navajo Indian Reservation.

This is what the Navajo says, and I think it's true: Because the Navajo Nation has unqualified water rights to all San Juan water, it would be impossible to divert water without Navajo tribal council approval. In exchange for the U.S. Government's commitment to construct it, the Navajo tribal council, by resolution, agreed to support the construction of the project.

The reason that Government agreed to that is because there were a number of non-Indian interests that wanted the controversy to be settled. What happened was that while the Navajo rights have been allowed to drag and drag and drag, the non-Indian

people went forward with their portion of the project, and that was completed in 1971, 20 years ago.

The Navajo, which had a legitimate claim, have not been given their rights by the Government; isn't that true?

Mr. BROWN. At this time, yes, sir.

Mr. YATES. So, year after year over the last 10 years, the Administration refused to make any money available for Navajo irrigation. This Committee had to put that money in. We put in every year the amount of money recommended by the Bureau of Reclamation. This year the Bureau of Reclamation says that, in order for this to continue to go forward, you need $27 million.

Do I understand that you're opposed to the $27 million going into the bill?

Mr. BROWN. We have not requested any dollars for 1991, sir.

Mr. YATES. Is that the same thing as answering yes to my question?

Mr. BROWN. We can definitely answer that after we see that report in June, sir.

Mr. YATES. What report?

Mr. BROWN. The assessment on the feasibility.

Mr. YATES. What difference does that make? What difference does feasibility make? Tell me. Don't you have an agreement with the Navajo? Should the Navajo have requested a lump sum payment in—when was the date of this? Should the Navajo have demanded a lump sum payment in 1962 rather than irrigation rights? If they had demanded a lump sum payment, you would have paid it to them, wouldn't you? I mean the Government would have paid it to them? Instead of that, in good faith, they said: build us an irrigation project, and the Government agreed to do it. There was no question of feasibility that was involved, was there?

Why do you suddenly bring up this question of feasibility as a rationale? It's only a rationale for refusing to put the money in. Does somebody want to tell me where I'm wrong?

Mr. BROWN. No, sir. Again, we'll say that the IG reviewed that and, based on the report——

IG REPORT ON NIIP

Mr. YATES. The IG concludes that they're going to lose money on it, but that's their right, isn't it? They say they want the money to build an irrigation project. Do they have the right to have that built even though they may lose money with it?

Mr. BROWN. Under the law, it would appear so, sir.

Mr. YATES. Yes. BIA has been investing their money for years. You've lost money on some of it, on some of their investments, haven't you, on their behalf? Aren't they entitled to do the same thing themselves, if they ask for that?

I don't understand this rationale at all. I don't undertand how you have to wait for a feasibility report. Is there anything in your contract with the Navajo that says that the Government has the right to check the feasibility of the Navajo's rights on this?

Mr. BROWN. No, sir, I'm not aware of a contract that we do have.

Mr. YATES. Well, there is an agreement, isn't there, with the Navajo?

Mr. HAYES. It's a settlement agreement.

Mr. YATES. Yes, it's a settlement agreement with them. Is there anything in there that says that the amount of money they receive is dependent upon the Government's finding whether it's feasible or not?

Mr. HAYES. No.

Mr. YATES. No.

Mr. HAYES. Not that I'm aware of.

Mr. YATES. Then why are you doing it? There's nothing in the legislation under which the irrigation was authorized that says the Government has the right to hold up Navajo rights if the Government determines that it's not feasible, is there?

Mr. BROWN. No. What this assessment will do is clear up some internal——

Mr. YATES. Internal? What is "internal?"

Mr. BROWN [continuing]. Internal discussion here with regard to what the situation is, so that we can move ahead.

There's been some concern.

Mr. YATES. I understand that.

Mr. BROWN. The IG indicates their concern as to the direction that we needed to go. The feasibility study would clear that up and allow us to move forward.

Mr. YATES. July 25, 1989, a memorandum to the Assistant Inspector General for Audits from Assistant Secretary of Indian Affairs. That is you.

Mr. BROWN. Yes, sir.

Mr. YATES. Okay. And you say, "The BIA has determined that NIIP should be constructed to full completion, an irrigation project comprised of 11 blocks, placing 110,630 acres of land under irrigation."

Mr. BROWN. Yes, sir.

NIIP FEASIBILITY STUDY

Mr. YATES. Why are we waiting for a feasibility study then? You determined that——

Mr. BROWN. Yes, sir.

Mr. YATES. Then why are we waiting for a feasibility study?

Mr. BROWN. Again, to very clearly address the IG's report and response. I understand what you're saying however.

Mr. YATES. But if you say that, due to the Inspector General, we have your report; BIA says we're going forward. Now you're saying you're waiting for a feasibility study. I don't understand that. Do you understand that?

Mr. BROWN. Yes, sir. In order to be clear in the direction that we're going, we took a look and we have been in consultation with the Navajo tribe continually on this as well.

Mr. YATES. The Navajos have agreed?

Mr. BROWN. No, they have not, sir. They have not.

Mr. YATES. What are you consulting with them about then?

Mr. BROWN. They have issued concerns to us, and we have sat down and indicated our plan to them as to how we were trying to move this thing forward.

Mr. YATES. What concerns have they indicated to you?

Mr. BROWN. The very concerns that were indicated there, sir, in the letter.

Mr. YATES. The concern that you didn't give them the money?

Mr. BROWN. Yes, and why it was not in the 1991 budget.

Mr. YATES. And what concerns did you give back to them?

Mr. BROWN. Our concerns were the issues raised in the IG report, the need to get those cleared up internally, so that we can move the project ahead and begin to take a look at what might be included in the 1992 budget, sir.

You have indicated that up until this time the Bureau has not proposed dollars in that account. We are prepared, based upon the findings to move forward and request.

Mr. YATES. All right. The Navajo know of your concerns, I'm sure. The IG's report was in 1988. The BIA had their concerns long before the Inspector General's report. You must have had because the Administration didn't put any money in for it.

Mr. BROWN. I'm not—I cannot speak——

Mr. YATES. Well, okay. Does this mean that all history is cut off before the time you came in?

Mr. BROWN. No, sir. I'm just saying I'm not aware of what the reasoning was on that.

Mr. YATES. Well, if I remember, they were saying that there's a question as to whether or not there was a surplus of the kind of grains or food that the Navajo wanted to grow. So they decided—"they," the Administration, at that time decided the Navajo shouldn't go forward. The Committee decided otherwise, and we put the money in there.

Now the IG issues a report in 1988 raising questions, the same kind of questions that were raised before. You're looking—you, the Administration, currently are saying we've got to wait until it's feasible; we've got to clear up some kind of internal misunderstandings.

What are the internal misunderstandings?

Mr. BROWN. It was just the concern raised by the IG, sir.

Mr. YATES. But you already cleared that up. Why did you write to him and tell him that you were going forward with it? That cleared it up, didn't it?

You have no choice, have you, really, except to go forward with it? Does BIA have a choice except to pay the Navajo the money?

Mr. BROWN. Under the agreement and the law, it would appear not, sir.

FUNDING FOR NIIP

Mr. YATES. Okay. It would appear that you have no choice except to pay them the money?

Mr. BROWN. Yes.

Mr. YATES. Okay. Who wants to wait for the feasibility study? You still want to wait for the feasibility study?

Mr. BROWN. That had been our plan and our proposal which we shared with the Navajo, sir.

Mr. YATES. You shared that with the Navajos? Did they share it back with you? [Laughter.]

Mr. BROWN. Yes, they were very clear as to what they thought.

Mr. YATES. They didn't share it with you? They didn't share your concerns?

Mr. BROWN. Oh, yes, they had major concern in regard to the——

Mr. YATES. But they still wanted to go forward?

Mr. BROWN. Yes, sir.

Mr. YATES. Okay. Are you going to let them go forward?

Mr. BROWN. Based on the IG report and on the situation, we have indicated to them that we are prepared to address that in the 1992 budget, or to propose that in the 1992 package, I should say.

Mr. YATES. All right. The IG says, "We, therefore, concluded that the BIA should formally propose to Congress that this project be terminated while currently negotiating with the Navajo tribe for reasonable compensation for an agreement on termination."

Now that's what the IG said to you in February 1988, and then you sent a reply back to the IG saying we don't agree with you; we have determined that NIIP should be constructed.

Mr. BROWN. Clearly, sir, we still believe the law says that.

Mr. YATES. All right, then let's go forward; right? Have the Navajos indicated that they would be willing to accept a sum of money in lieu of going forward?

Mr. BROWN. No, sir.

Mr. YATES. Have you suggested that to them?

Mr. BROWN. At this point in time, no, and would not be even considering that until after that assessment is done.

Mr. YATES. Who in the Department wants the assessment?

Mr. BROWN. The IG raised critical questions on that issue. As you've read it is their recommendation that we terminate the project. That has raised serious questions. Our solution to that was to address those right upfront. Let's identify that, and then let's move ahead.

OMB REQUIRES COST/BENEFIT ON ALL IRRIGATION PROJECTS

Mr. BROWN. OMB has requested that we do a cost-benefit analysis on all of our projects currently as well.

Mr. YATES. Say that again. The BIA has done what?

Mr. BROWN. OMB has requested that we do a cost analysis on all our projects.

Mr. YATES. All your projects?

Mr. BROWN. Yes, on all the irrigation projects.

Mr. YATES. Don't you have agreements? Don't you have treaty agreements with some, and don't you have other agreements with other tribes under which they gave up water rights in exchange for the agreements for the irrigation projects?

Mr. MILLS. On some of the irrigation projects that we do, a lot of them are self-supporting projects.

Mr. YATES. Why is OMB asking you to review them again then?

Mr. MILLS. I think that's an easier way for us to justify our funding, by coming up with a feasibility study on all our irrigation projects.

Mr. YATES. How many of your irrigation projects are the subject of agreements with the tribes, the result of concessions which they gave to the Federal Government?

Mr. MILLER. I can't answer that.

Mr. YATES. Who can answer that? Anybody? Is there a lawyer in the house? Would you please place that in the record?

[The information follows:]

IRRIGATION PROJECTS WHICH RESULTED FROM AGREEMENTS WITH TRIBES

The following listing represents 19 irrigation projects which are the subject of agreements between tribes and the U.S. Government in which tribes gave concenssions.

8-projects in the Albuquerque Area:

Cochiti
Isleta
Sandia
San Felipe
Santa Ana
Santo Domingo
Ute Mountain
Southern Ute

2-projects in the Billings Area:

Fort Peck
Wind River
Navajo Indian Irrigation Project

6-projects in the Phoenix Area:

Indian/Joint Works—San carlos Irrigation Project
Ak-Chin
Papago
San Xavier
Camp Verde
Fallon

2-projects in the Portland Area:

Fort Hall
Wapato

1-project in the Aberdeen Area:

Standing Rock Irrigation Project

FUNDING FOR IRRIGATION PROJECTS

Mr. YATES. OMB is doing everything it can to cut off funding for the Indian people.

Ms. RICHARDSON. Mr. Chairman, I really think in this case that we've had trouble justifying the irrigation systems to OMB because we didn't have this kind of data. I think in this instance it really is——

Mr. YATES. What kind of data?

Ms. RICHARDSON. On our irrigation systems. I really think in this instance we need to get better information so that we can go forward with our requests and have some justification for them. We won't have zeroes in all of our future budgets on irrigation.

Mr. YATES. Well, Linda, what possible justification is there for not funding the Navajo tribe?

Ms. RICHARDSON. Not with respect to Navajo, but with all of our other projects.

Mr. YATES. Shouldn't we find out whether they, too, were the subject of agreements under which the tribes gave up something in exchange? I think before you do that, you'd better consult with your solicitors and see what the basis for it is.

Let me ask another question. You went to OMB with a request for $8,264,000 for irrigation projects. Which funds were those?

FALLON IRRIGATION PROJECT

Ms. RICHARDSON. That was the Fallon project, Mr. Chairman.

Mr. YATES. Fallon, F-A-L-L-O-N?

Ms. RICHARDSON. Yes.

Mr. YATES. Okay, in Nevada. All right. Just one project, the Fallon project?

Ms. RICHARDSON. Yes.

Mr. YATES. And OMB gave you $2,310,000. Now how much do you need for the Fallon project?

Ms. RICHARDSON. Mr. Chairman, we have requested $6 million, but there were some intervening issues with respect to Fallon that I hope someone else here——

Mr. YATES. Is $2.3 million adequate?

Ms. RICHARDSON. The $2.3 million is not for Fallon. The $2.3 million is for area agency staff costs and for some work at the Portland area office. There's nothing in the budget now for Fallon. A request for Fallon had been $6 million.

FLATHEAD IRRIGATION PROJECT

Mr. YATES. Why Portland? Is Portland the center of an irrigation project of some kind?

Ms. RICHARDSON. Flathead, Mr. Chairman.

Mr. YATES. For the Flathead? Flathead irrigation. Why did OMB approve that and not the others? Is this a special kind of an irrigation project? Who would know?

Mr. HAYES. It's being used in relation to some litigation. The funding is for monitoring.

Mr. YATES. These are funds for litigation?

Mr. HAYES. No, it's for studies and monitoring in regard to some litigation.

Mr. YATES. Is this a water rights litigation? What kind of litigation is it? Why is it under irrigation?

Well, for the Flathead you asked for $500,000? Why they gave you $2 million I don't know.

You say on page 285, "These funds will be used for the Flathead Indian irrigation project to provide continuous monitoring of recording instrumentation for the use and distribution of irrigation of water in the various on-reservation streams and irrigation canals." It doesn't say anything about litigation there. Is there any reason for that?

I think maybe you'd better explain it a little better for the record, please.

[The information follows:]

LITIGATION RELATED TO FLATHEAD INDIAN IRRIGATION PROJECT

As a result of number of court actions in the U.S. District Court in Missoula, Montana, the District Court ordered the irrigation project to provide enough water to maintain the Tribe's fishery resource. In compliance with the court order, the Bureau's request of $500,000 for the Flathead Irrigation Project will be used to install a continuous water quantity measuring system in the irrigation canals and perennial sterams to monitor water allocations between irrigation and fisheries activities.

NAVAJO RIGHTS TO SAN JUAN RIVER

Mr. YATES. All right, I think we've spent enough time on the irrigation question. Let me point out what's happened. Mr. Brown, you're a newcomer here, you say. In this letter from Navajo, which I'm placing in the record, they point out that in fiscal year 1985 we demanded an accounting, and I said—I read a passage from "The New Indian Wars," which was a story in the press, I think, at that time. The Denver Post.

"The Navajo had a strong legal claim to the waters of the San Juan River, tributary to the Colorado, but the growing cities of New Mexico had their eye on San Juan water, too, and successfully lobbied Congress for a water project that would carry water across the Continental Divide and into the valleys of the Rio Grande."

Now those cities got their portion of the water. Did anybody require a feasibility study of the non-Indians in connection with that settlement?

Mr. HAYES. Not that I'm aware of.

Mr. YATES. I don't think they did. They do that to the Indians, don't they?

I continue to read: "To get the Navajo to give up their rights, the Bureau of Reclamation and western Congressmen offer the tribe a piece of the project, a massive irrigation system that it would convey, 508,000 acre feet of water each year into Navajo fields and orchards. It's a chance for wet water and the tribe accepted the deal. Congress authorized the project in 1962. They completed the non-Indian side without missing a year, but 20 years later we haven't come close to finishing our irrigation project. They got what they wanted; they forgot ours."

Mr. YATES. That was Peterson Zah speaking. Then Mr. Yates asked Mr. Smith, who was then the Assistant Secretary for Indian Affairs, "How much money is in the bill for the Navajo irrigation project?" Mr. Smith replied, "Zero dollars."

If I were to ask the new Secretary, Mr. Brown, how much money is in the budget for the Navajo irrigation project, Mr. Brown would answer, "Zero dollars." Now that's five years later, isn't it, and you're now waiting for a feasibility study.

What was Assistant Secretary Smith waiting for in 1985, the feasibility study that's to be completed this year? Or did you just not want to give the Navajo their money?

Mr. BROWN. I'm not sure of the reasoning.

Mr. YATES. Anyway, you'll find this a very delightful thing to read when you see the hearing transcript on this.

TRUST FUND CONTRACT

Mr. YATES. All right, let's turn to trust fund management now, another one of the BIA jewels. Discussions have been underway for the past two months regarding how the Bureau should proceed with its plans for accounting, investment advisory, and cash disbursement services for Indian trust funds. The Assistant Secretary responded on May 3rd to my letter which was dated March 2nd, which requested answers to a series of questions on the subject prior to approving a reprogramming to centralize responsibility for Indian trust fund management activities in a separate directorate in the Bureau.

So I ask you, what is the current status of the Security Pacific National Bank contract?

Mr. BROWN. The contract is on hold now. No dollars are being paid to the contractor.

Mr. YATES. Has the Solicitor made a determination on whether the contract can be cancelled?

Mr. BROWN. No, not at this time.

Mr. YATES. Has the question been asked of him?

Mr. BROWN. Yes, it has.

Mr. YATES. How long ago?

Mr. MILLS. Roughly two to three weeks ago.

Mr. YATES. When will you receive a reply?

Mr. MILLS. Sir, we're not sure. The Solicitor has asked us some additional questions.

Mr. YATES. Oh.

Mr. MILLS. We are in the process of giving that information to them.

Mr. YATES. And you also want to know whether there are any penalties for cancellation?

Mr. MILLS. Yes.

Mr. YATES. Okay. Have you asked for any other opinions of the Solicitor in this matter?

Mr. MILLS. As it pertains to the contract?

Mr. YATES. Yes.

Mr. MILLS. No, not as far as cancellation of the contract.

Mr. YATES. All right. Do you have any plans with regard to engaging a third party to assist in developing the technical specifications for the accounting services that were required?

Mr. MILLS. Yes, we do, sir.

Mr. YATES. Can you put that in the record or is it confidential?

Mr. MILLS. It's confidential right now. We're in the process of dealing with that.

Mr. YATES. All right. Then we'll just hold it up temporarily, and at such time as it is no longer confidential, put it in the record.

[The information follows:]

THIRD PARTY ACCOUNTING SERVICES FOR TRUST FUNDS

The Bureau is currently in negotiations with the Mitre Corporation to provide consultant services in the development of a Trust Fund Management System. Specifically, Mitre would perform the following functions:

Analyze the Bureau's statutory and regulatory authorities and responsibiliities;

Analyze the Bureau's current operating system and organizations;

Define the Bureau's operating systems requirements, software, hardware, and organization;
Provide an ADP architectural and management plan;
Develop the technical specifications for an automated accounting system;
Develop the acceptance testing requirements for an automated accounting system;
Conduct and certify the results of the acceptance test(s);
Certify an operational automated accounting system for the Office of Trust Funds Management.

COSTS OF SECURITY PACIFIC CONTRACT

Mr. YATES. Can you tell us what the expected costs and the sources of the funds to be used are?

Mr. MILLS. The expected cost, I can't give those dollars right now, but the source of the funds would be those funds that were going to be used for the contract.

Mr. YATES. Okay. And what's the status of the $50,000 monthly payment for support services under the Security Pacific contract?

Mr. MILLS. As of the end of March of this year, that has been stopped.

Mr. YATES. Has Security Pacific asked for payment?

Mr. MILLS. Security Pacific, I think, has billed us through the end of October of 1989, and we were waiting for them to invoice us up through the end of March.

Mr. YATES. Up through the end of March? A month has gone by and they haven't invoiced you?

Mr. MILLS. Not to my knowledge.

Mr. YATES. Would anybody know, if you don't?

Mr. MILLS. No. We can get that information for you.

Mr. YATES. Okay.

[The information follows:]

STATUS OF SECURITY PACIFIC INVOICES TO BIA

The Bureau received Security Pacific National Bank's invoice of May 14, 1990, on May 27, 1990. The invoice is for the period October 1989 through March 1990 and is in the amount of $300,000 for support services.

TRUST FUND CONTRACT FUNDING

Mr. YATES. Now how exactly do you propose to use the balance of the trust fund contract funding which totals $3.7 million in 1990?

Mr. MILLS. Some of that funding will be used to pay for the reconciliation work that has to be done on tribal trust funds and the individual IIM accounts.

Mr. YATES. Have you reviewed your budget request of $4.2 million for the contract to determine if the estimate should be revised?

Mr. MILLS. We're in the process of doing that now, sir.

Mr. YATES. Well, you would have to ask us for that money, wouldn't you?

Mr. MILLS. That's correct.

Mr. YATES. When will you let us know?

Ms. RICHARDSON. Mr. Chairman, it is being used for financial trust services within the line item financial trust services, and it was a prerequisite established by Congress for the contract. I'm not sure that it really would require reprogramming for using it for activities related to the trust funds.

Mr. YATES. Well, we've had changes that have occurred in the last few months. Shouldn't you be telling us how this affects you?

Ms. RICHARDSON. Certainly.

Mr. YATES. Do you want to put that in the record?

Ms. RICHARDSON. Yes.

Mr. YATES. Okay.

[The information follows:]

REVISED BUDGET FOR TRUST FUNDS

At the request of the House Interior Appropriations Subcommittee, Ed Darragh and John Reifsnyder of the General Accounting Office (GAO) are working with the Bureau's Office of Trust Fund Management on the development of a plan for the reconciliation, audit, and certification of Tribal and Individual Indian Monies trust fund accounts. They will be meeting on May 30 and 31, 1990, to develop the technical specifications for the scope, timing and delivery, of a procurement package for these services.

Until this plan is developed and reported to the subcommittee, we are unable to provide the requested information as to how we will be spending the funds appropriated in FY 1990 for the Security Pacific contract. Any revisions to our FY 1991 budget request will also be dependent on the outcome of these meetings.

REVISED 1991 BUDGET FOR TRUST FUNDS

Mr. YATES. This will be a breakdown of how you propose to use these funds in 1991 as I understand it, right.

Ms. RICHARDSON. Excuse me, I thought we were talking about 1990?

Mr. YATES. No, not anymore.

Ms. RICHARDSON. We do need to revise 1991.

GAO INVOLVEMENT IN CERTIFICATION

Mr. YATES. That's right. Now GAO has been requested to meet with you to determine if GAO could perform the independent certification of trust fund accounts prior to transfer. You have an RFP that you propose to issue. Do you still plan to go forward with the RFP?

Mr. BROWN. The RFP currently is on hold. We were waiting for some conversation in regards to letting that out. There was some concern that we had not met some of the concerns of the second-party certification. We are amending that. Let me have Mr. Mills respond more specifically.

Mr. YATES. Mr. Mills?

Mr. MILLS. If we can agree to release the RFP, the RFP will be for the reconciliation of 36 of the largest tribal accounts plus 3 agencies that we would pick to reconcile some of the IIM accounts.

Mr. YATES. Now have you reviewed this situation with GAO?

Mr. MILLS. We have not. GAO, I think, had just contacted our office. I have not had a chance to talk with GAO.

Mr. BROWN. It is our understanding, sir, that we are prepared to. In conversations between Secretary Lujan and myself, we are meeting as soon as possible with you and others, as well as GAO, in regard to this issue.

Mr. YATES. Well, Congressman Synar's committee has been holding hearings on this as well. Congressman Synar has indicated to me that he is very much disturbed by the fact that the banks haven't been able to do anything.

I suggested to him the possibility of having GAO be the agency that takes charge of the funds rather than contracting it out. I don't know whether GAO can do that. I understand GAO is now looking at that possibility. They might be the ones to do it. I don't know if that is possible. If that is true, why would you go out with an RFP then?

Mr. MILLS. Sir, the appropriation language over the last few years has stated that we need to have the accounts audited and reconciled. This is part of that process.

Mr. YATES. Don't you have to get the accounts audited and certified first before you reconcile them?

Mr. MILLS. Yes.

Mr. YATES. Well, that's why you want to go out with your RFP, but what role would GAO play then? Isn't GAO the proper functionary to do something about that?

Ms. RICHARDSON. The third-party independent certification.

Mr. YATES. They could play a very useful part, couldn't they? Couldn't they play a very useful part?

Mr. MILLS. Yes, sir. Right now, like I said, we had planned to have the accounts reconciled, and then we had planned to follow up that with an audit of——

Mr. YATES. Why don't you talk to GAO and find out what they're thinking about? Shouldn't you?

Mr. BROWN. We'll do that, sir.

Mr. YATES. I would think you'd do that before you went out with an RFP.

Ms. RICHARDSON. Mr. Chairman, we have talked with GAO earlier in the year. They indicated that they would be unable to provide us that assistance unless they were requested by Congress. Congress has now requested that.

Mr. YATES. We have requested that though.

Ms. RICHARDSON. Yes, sir.

Mr. YATES. All right. Now that we've requested it, why do you want to go out with an RFP? Is there a reason why the RFP could not be delayed while you hold these discussions with GAO?

Mr. MILLS. No, sir. We delayed our RFP already, and we can put it on hold for a longer period of time.

Mr. YATES. Shouldn't you talk with GAO about this and then report back to the Committee?

Mr. MILLS. Yes.

Mr. YATES. We will ask GAO to report back to the committee.

Mr. MILLS. Okay. Great.

TRUST FUND LOSSES

Mr. YATES. Has any policy been developed with regard to the reimbursement of recognized losses such as those reported last fall in the IG report?

Mr. MILLS. Yes. We have a Solicitor's opinion that states that if there are any losses, we should request appropriated funds to make those accounts whole. At this point, we don't know the extent of the losses.

Mr. YATES. Will that depend upon the auditing and certification?

Mr. MILLS. Yes, it will. That is part of this process.

Mr. YATES. When you talk about losses, this is a result of Security Pacific's handling of the accounts?

Mr. MILLS. No. This is prior to that. We have seven cases of losses that we are looking into now. The Solicitor's Office has advised us that we need to come up with a determination of facts. They will review each one on a case-by-case basis, so that is now in process.

Mr. YATES. GAO thought that your contract with Security Pacific was subject to the Brooks Act. Have you reached any conclusion on that?

Mr. MILLS. Yes. The GAO had ruled, I believe, that we did not follow the complete process, although the Department of the Interior and Indian Affairs concluded that the Brooks Act was not applicable. We have now got that in compliance.

MANAGEMENT OF BIA

Mr. YATES. Well, now the Senate Select Committee on Indian Affairs issued its final report, and it said among other things that BIA is a Federal bureaucracy ensnarled in red tape and riddled with fraud, mismanagement and waste. The Assistant Secretary—I don't know whether this is you, Mr. Brown, or whether it was your predecessor, has been quoted as saying, "The Bureau needs more resources to address the kind of problems detailed in the report." I guess that is you.

Mr. BROWN. Yes, sir.

Mr. YATES. What kind of resources do you need in order to take care of these problems?

Mr. BROWN. Well, we've identified some of those in the 1991 budget. We talked principally about $2.8 million for a trust management situation that would bring all of our trust fund management under one manager. It would create the position of a deputy over trust funds. We talked about $1 million for the backlog in probate.

Mr. YATES. Well, now let me interrupt you for a moment there. Senator Inouye has suggested the possibility, by filing a bill, to establish a trust counsel for Indian assets with broad authority to develop Government-wide standards for the administration of the Federal Indian trust relationship. What is your feeling about the Senator's bill?

Mr. BROWN. As I understand it, that is not directly related to the trust fund management, sir. That counsel——

Mr. YATES. That is right. It is to the trusteeship.

Mr. BROWN. Yes.

Mr. YATES. On the question of trusteeship and all of the responsibilities that that carries. What is your feeling about that?

Mr. BROWN. My feeling is that clearly we need to better understand and coordinate the trust responsibility across the Federal Government. We are currently reviewing that bill and will have our reaction to that later.

INDIAN PRIORITY SYSTEM

Mr. YATES. Let's turn to the Indian Priority System. Public Law 100–471 required the Secretary to establish a team in each BIA

area to analyze the Indian Priority System and prepare a report with appropriate recommendation for changes and legislative actions to achieve greater tribal decisionmaking authority over the use of funds appropriated for the benefit of tribes and their members. The report was submitted in May 1989 without overall statements or recommendations by the Secretary. When do you intend to report your recommendations for changes to the Congress as required by the law?

Ms. RICHARDSON. Mr. Chairman, the cover letter, I believe, stated that we would be withholding any recommended changes pending final development of the self-determination regulations and to see how those changes in law, which may impact the Indian Priority System, may impact contracting. We also want to see how those final regulations come out before proposing changes in the Indian Priority System. Most of the comments from the tribes in their reports indicated a frustration over funding levels more than the system itself.

Mr. YATES. Well, the Aberdeen area summary represents many of the other area reports, and that's what they say. "Tribes in general are dissatisfied with the system as it does not allow the tribes or the Bureau to truly control programs for any tribal needs. Tribes and Bureau managers cannot address needs, priorities, program improvement, or new initiatives without eliminating one or more essential programs which basically gives no credibility to the system as it exists today."

The report goes on to recommend appointment of a task force consisting of tribal and Bureau officials to review the priority process and initiate changes. First of all, do you think that IPS has failed?

Mr. BROWN. I think IPS is not adequately addressing the issue. I think it does need to be reviewed, and changes need to be made, yes, sir.

Mr. YATES. Can you suggest changes you think would be advisable?

Mr. BROWN. At this point in time, no, sir, I'm not prepared to address it.

Mr. YATES. When would you be able to do that?

Mr. BROWN. We would hope within the next year, sir.

Mr. YATES. It will take that long?

Mr. BROWN. The proposed 638 regulations will be completed in August.

Mr. YATES. Well, now are you going to do it? Or will there be a joint Bureau/tribal task force?

Mr. BROWN. I will assure you that as we look at anything that would change the structure of funding, the tribes will definitely be included in addressing that.

INDIRECT COST REPORT

Mr. YATES. Now on contract indirect costs, you were supposed to report on March 15 to the Congress, including an accounting of the funds provided for each program under self-determination contracts and accounting of any deficiencies in indirect costs for contractors. Have you submitted a report for this year yet?

Mr. BROWN. It is my understanding that it is currently within the Department right now for review.

Mr. YATES. You'll have a difficult time filing it by March 15, won't you?

Mr. BROWN. Yes, sir.

Mr. YATES. When do you plan to submit it?

Ms. RICHARDSON. Mr. Chairman, I would hope that it would be out by the end of the month.

Mr. YATES. Okay. Let's hope your hope comes true. Do you have any estimate of any shortfall in funds for tribal indirect costs?

Ms. RICHARDSON. Yes, sir. We do.

Mr. YATES. What is your estimate?

Ms. RICHARDSON. Approximately $7.2 million.

Mr. YATES. Should we put that in our budget?

Ms. RICHARDSON. I'm sorry. The shortfall is for the current fiscal year.

Mr. YATES. I know. Shall we put it in the supplemental?

Ms. RICHARDSON. Mr. Chairman, I think there may be some other ways to address that because we also owe you a report with respect to the calendar year contract conversion. We will not be requiring all of the $54 million appropriated for that purpose. Perhaps allowing us to submit a reprogramming request to use the excess from that to meet other needs——

SAGINAW CHIPPEWA TRIBE

Mr. YATES. What about the question of base funding for tribes? For example, Saginaw Chippewa in Michigan testified as to the inadequate funding received since the establishment of the Michigan agency out of the Great Lakes agency without provision for adequate administrative costs and without establishing what the base funding for the new agency should be. As a result, you've got less funding, $186,000 for 2,027 members. Two of the more recently recognized tribes—Lac Vieux Desert and Grand Traverse Band—have smaller populations and smaller land bases. Is Saginaw Chippewa receiving an appropriate level of funding?

Ms. RICHARDSON. Mr. Chairman, there are wide ranges of differences between the base funding for tribes. In those years where we only have one or two new tribes recognized, they generally fare better than back in the mid-1980s. We had about 25 or 26 tribes recognized all at once, and that group of tribes because of the large numbers did not fare so well as those who have been recognized more recently.

Mr. YATES. Do you need a needs assessment for those tribes?

Ms. RICHARDSON. Only if we could define "need." [Laughter.]

Mr. YATES. Well, what do you do about defining the word "need" when the new tribes come in?

Ms. RICHARDSON. There has been a rule of thumb that with respect to new tribes funding, it is approximately $1,000 per capita. Then the tribes are to meet their need from within that amount.

Mr. YATES. Does that mean that Saginaw Chippewa should have $2 million instead of $186,000 with 2,000 members?

Ms. RICHARDSON. Is that how the math works?

Mr. YATES. At $1,000 per, if that is your rule of thumb. What do you think? How can I get your shaking your head into the record?

Ms. RICHARDSON. Can't do that. [Laughter.]

We'd be glad to check and see if they were one of those tribes in mid-1985 when we had that 25 or 26——

Mr. YATES. Would you take a look at Saginaw Chippewa to see what——

Ms. RICHARDSON. Yes, sir.

Mr. YATES. Maybe you'd better get a new formula.

Ms. MARKS. The tribal lawyer goes on record as saying, "Saginaw will take $2 million."

Mr. YATES. Okay. You and I are kind of smiling about this, but it's really serious, isn't it?

Ms. RICHARDSON. Yes, sir.

Mr. YATES. The Saginaw Chippewa have really been deprived of funds they are entitled to. If that's true, what about the other tribes? How are we going to find out how much they're entitled to? Does this call for an assessment? You're going to take a look at Saginaw Chippewa. How many other tribes do you have to look at?

Ms. RICHARDSON. We have hundreds of tribes and lots of dollar figures for them. There are wide variations.

Mr. YATES. I agree with that. Now having said that, what should we do about it? If Saginaw Chippewa has been the victim of an inequitable distribution, isn't that same thing likely to have happened to the other tribes?

Ms. RICHARDSON. Yes, it does because we do not have a real system that says, "This is how much a tribe should have based on any relevant factors."

Mr. YATES. The alternative is to say that the tribes are entitled to nothing. I think I'd just do away with it, otherwise we have to get a system that works.

Ms. RICHARDSON. We prefer the historical approach.

Mr. YATES. What do you want to do? Do you want to look at it?

Ms. RICHARDSON. Mr. Chairman, I think we will be. We had the resource allocation effectiveness study completed a couple of years ago.

Mr. YATES. You are going to look at Saginaw Chippewa? Okay.

Ms. RICHARDSON. And others.

Mr. YATES. That's right. That's fine for Saginaw Chippewa. You're going to negotiate for them from $186,000 up to $2 million based on what you have done in other tribes. If you do that for Saginaw Chippewa, shouldn't you be doing it for your hundreds of other tribes?

Ms. RICHARDSON. Yes.

Mr. YATES. Can you do that before they all write in and say, "We want the same kind of treatment that Saginaw Chippewa received."? How are we going to do that?

Ms. RICHARDSON. We have the results of a resource allocation effectiveness study. What we have talked about is looking at those tribes that clearly fall outside the range of the norm. Those whose funding appears very, very low.

Mr. YATES. Why don't you have one of your assistants take a look at this and prepare a report on what you're going to do about this? Could you do that?

Ms. RICHARDSON. Yes, sir.
[The information follows:]

DETERMINATION OF TRIBES WITH PROPORTIONATELY LESS FUNDING

The field office staff who worked most closely with the contractor on the Resource Allocation Effectiveness Study have indicated that the data base developed for the study is at the macro (i.e. area office level) rather than at an agency or tribal level. To reach this level of detail in order to identify the specific agencies or tribes which fall significantly below the norm would require additional contractor support for which no funds have been requested.

FURLOUGH OF PORTLAND FISHERIES STAFF

Mr. YATES. The Committee has been informed the entire BIA fisheries branch staff of the Portland area office had to go on furlough one day a week beginning in March because they had to provide $25,000 from their office funds to pay for an expert witness in a court case last October. Is that true?

Mr. HAYES. Yes, sir.

Mr. YATES. How could such a thing happen?

Mr. HAYES. It was an unexpected expense, sir.

Mr. YATES. Are you aware of the fact that the Committee has provided litigation support funds for that purpose?

Mr. HAYES. Yes, sir.

Mr. YATES. What happened to the litigation support funds? Why weren't they used rather than penalizing the employees of the Portland area office?

Mr. HAYES. I would say that probably the litigation support monies were all expended at that time, sir.

Mr. YATES. Really? Can you check that?

Mr. HAYES. Yes, sir. I will. I can provide more information on that.

[The information follows:]

LITIGATION SUPPORT FOR PORTLAND AREA EXPERT WITNESS

In October 1989, the Portland Area Office submited a request to the Central Office for $25,000 of litigation support funding to hire an expert witness to prepare anthorpological report request by the court in the subproceeding 83-3 *U.S. v. Washington* case involving the Chehalis, Shoalwater, and Quinault Tribes. Due to the urgency of the request, it was recommended that Portland use available funds to hire the expert witness pending distribution of the FY 1990 litigation support funds. The $25,000 was distributed to Portland in early April 1990.

LITIGATION SUPPORT FUNDING

Mr. YATES. Well, should you have litigation support funds? Should there be a fund for litigation support?

Mr. HAYES. Yes, sir.

Mr. YATES. Why is that budget being cut this year? Do you want to take it out of the employees?

Mr. HAYES. No, sir.

Mr. YATES. How do you propose to repay the employees? Or don't you propose to repay the employees for furloughing them? One day a week for five weeks? How much did you pay for—

Mr. HAYES. I don't have that information. I could provide it for you.

[The information follows:]

COMPENSATION TO PORTLAND AREA FURLOUGHED EMPLOYEES

The Portland Area Office does not propose to repay the five Branch of Fisheries employees furloughed for six days each from March 2 through April 6, 1990. With the repayment of the $25,000 to the fisheries program for the costs incurred for the expert witness, the projected deficit to the Portland fisheries program as of January 1990 was estimated at approximately $12,000. The salary savings from the employee furloughs will enable the program to continue operations at a reduced level for the remainder of FY 1990 within the funds available.

LITIGATION FUNDING OF EXPERT WITNESS

Mr. YATES. Apparently, it was $25,000 that you paid the expert, and your employees had to pay for that, didn't they?

Mr. HAYES. The program had to pay for it, yes, sir. As opposed to terminating an employee, the employees decided that this was probably the most equitable way to keep the program going and keep all of the employees employed.

Mr. YATES. If a fund is disbursed like litigation support—how much did we put in there last year for litigation support?

Ms. RICHARDSON. $2.1 million.

Mr. YATES. And this year you're cutting this by a $1 million?

Ms. RICHARDSON. Yes, sir.

Mr. YATES. On the basis of the fact that you can take it out on the employees?

Ms. RICHARDSON. Mr. Chairman, this is news to a lot of us here.

Mr. YATES. You mean the Portland office does this without telling you about it?

Mr. HAYES. I was made aware of it, yes, sir.

Mr. YATES. Did you make Mr. Brown aware of it?

Mr. HAYES. No, sir. I did not.

Mr. YATES. Didn't he know of it? Well, this year is going to be worse then, isn't it? If you cut it by $1 million, you're not going to have enough money for litigation support, are you? You don't have litigation pending?

Mr. HAYES. Yes, sir.

Mr. YATES. Do you have litigation pending that would require payment for the services of experts?

Mr. HAYES. Yes.

Mr. YATES. Do you have enough in that litigation support fund to pay for your experts?

Mr. HAYES. We can provide funding based upon——

Mr. YATES. Just answer my question. You would know the answer to that. How much money will be made available this year? $1.1 million. We've learned that $2.1 million last year was not enough. Now you're going to have $1.1 million available this year. Are there fewer cases of litigation this year?

Mr. HAYES. No, sir. The $1 million reduction reflects an add-on that the Congress put on last year when it——

Mr. YATES. Which was still inadequate, right?

Mr. HAYES. Apparently, yes, sir.

Mr. YATES. Well, you had to furlough your employees, right?

Mr. HAYES. Yes, sir.

Mr. YATES. So Congress will have to put on more money.

Mr. HAYES. If we're to maintain the same level.

Mr. YATES. All right. Were you unable to hire experts for your litigation purposes because you didn't have litigation support money?

Mr. HAYES. Not to my knowledge.

Mr. YATES. Who would know that? If you're going into a law case and you need experts, shouldn't you have enough money to try the case with appropriate witnesses?

Mr. HAYES. Yes, sir.

Mr. YATES. What cases are you talking about when you talked about them? Could you for the record tell us what kind of a case it was that you required this expert?

Mr. HAYES. I'd be able to provide that information to you, sir.

Mr. YATES. All right.

[The information follows:]

EXPERT WITNESS FOR PORTLAND AREA

The subproceeding 83-3 *U.S. v. Washington* case involved the Chehalis, Quinault, and Shoalwater, Tribes and their fishing rights claims, aboriginal, implied and affiliated rights. Dr. Barbara Lane was requested by the United States to prepare an anthropological report for the court. Dr. Lane's anthropological expertise has been instrumental in defining rights of many tribes in the Pacific Northwest and she has an acute understanding of the tribal fishing rights claims of the tribes involved in the case. The United States request was initiated to keep the information of the report neutral, as well as to comply with the court imposed schedule. The report was due February 15, 1990.

EXPERT ANTHROPOLOGICAL WITNESS

Mr. YATES. Listen to this. This is a confidential memo. "Deputy to Assistant Secretary, Indian Affairs, Trust and Economic Development, October 13, 1989. An urgent matter which requires your attention"—this is the case where you furloughed your employees—"involves subproceeding 833 U.S. v. Washington. Dr. Barbara Lang is being asked by the United States to prepare an anthropological report for the court. The Chehalis Tribe, the Shoalwater Tribe, and the Quinault Indian Nation all have an interest in this subproceeding. They all agree that Dr. Lang is key. Dr. Lang's anthropological expertise has been instrumental in defining fishing rights of many tribes in the Pacific Northwest. She does have a clear understanding of the tribal fishing rights claims of the involved tribes and, therefore, is uniquely qualified."

So you have the statement of need—"$25,000 for an anthropological study and a report by Dr. Lang to comply with a court order in the case. It tries to benefit the tribes, as to their fishing right claims, aboriginal, implied, and affiliation rights.

A cost savings to the U.S. of at least $25,000, possibly $75,000 or more. In the four months remaining, the study and report will necessitate much preliminary research in which Dr. Lang is already versed. I recommend this request be given highest priority reply." It was by furloughing 8 employees, right?

Mr. HAYES. We provided $25,000 to those tribes. They have requested——

Mr. YATES. You did?

Mr. HAYES. Yes, sir.

Mr. YATES. All right. You gave them the $25,000 and then you furloughed the employees to pay for it?

Mr. HAYES. No.

Mr. YATES. I thought this was the reason you furloughed the employees, because you needed to pay an expert's fee?

Mr. HAYES. I think the area office was talking about the potential for having to furlough the employees. That was what was brought to my attention—that they may have to go back to furloughing.

Mr. YATES. Well, let me read to you a letter to Ms. Johnson signed by anonymous. [Laughter.]

"A summary of enclosed information is pretty straightforward. In October 1989, Fisheries requested funds for a U.S. expert witness to meet a court date regarding an off reservation fishing fee. The same month, BIA/D.C. officials approved obligating funds at local level, and said the $25,000 would be restored from D.C. litigation support fund. January 1990, Fisheries listed five options in our final plea to find $25,000 to resolve funding shortfall and comply with Anti-Deficiency Act.

"February 1990, no communications to or from D.C. by anyone in Fisheries. Also, no sincere local action to secure funds from Portland budget. March 1990, given no response. The Fisheries staff accepted a furlough, one day each week, but chose to stay united. The option of branch chief retiring early was strongly discouraged. Instead, a counteroffer of leave without pay was made to the staff. It was declined because there would be no record of the situation.

"March 16, 1990, was the first of the Fridays on a non-paid, nonworkday status. Still no response from D.C. officials who promised to restore the budget." Any response now?

Mr. BROWN. No, sir. Let me say this: let me, if I may, check into that personally and find out exactly what happened.

Mr. YATES. All you have to do is call up your Portland office.

Mr. BROWN. That's what we will do, and we will check on that.

Mr. YATES. I'm told that in April they got the $25,000 from the DC office.

Mr. BROWN. But I cannot respond to that, sir, but you have my——

Mr. YATES. Put your response in the record.

Mr. BROWN. Yes, sir.

[The information follows:]

Furlough of Employees in Portland Area

The facts of the case of the furlough of the Branch of Fisheries employees in the Portland Area Office are as follows:

1. On October 3 the Branch of Fisheries requested an increase in its 1990 budget of $26,700 to a total of $255,600. The increase assumed $15,000 in travel and $3,300 in training, and $8,000 in purchase orders. That request assumed a 1990 appropriated level of $229,000. Funds were allocated to that office in the amount of $217,000, based on the original Gramm Rudman sequester estimate of a -$12,000.

2. On October 31, the Acting Portland Area Director wrote to the Acting Deputy to the Assistant Secretary for Indian Affairs for Trust and Economic Development (AS/IA-TED) in Washington asking for an transfer for FY1991 and "financial support" for the Branch of Fisheries for FY1990.

3. On November 30 AS/IA-TED responded to the October 3 and October 31 memoranda on the transfer issue, but did not mention the 1990 funding problem.

4. In the meantime, on October 13 the Acting Portland Area Director wrote to the AS/IA-TED asking for $25,000 of litigation support funding for an expert witness for the Branch of Fisheries Office. On October 25, the AS/IA-TED responded by saying that available funds should be used. That memorandum assured the Portland Area Director that the funds would be replaced through the litigation support programs.

5. The Branch of Fisheries agreed to cover the $25,000 and did.

6. On January 25 the Acting Portland Area Director again wrote to the AS/IA-TED about the funding shortfall in the Branch of Fisheries, this time revising its budget figures to take into account the -$25,000 and the original sequester amount of $-12,000. At this time the final sequester amounts (-$3,400) were known in Washington, but apparently not known in the Area Office. The revised budget reduced travel to $5,700, training to $1,000, and purchase orders to $2,000. The total available was $217,000; the shortfall was -$37,446. At this point the $25,000 used for litigation support was not repaid.

7. On February 6 the AS/IA-TED responded to the Portland Area Director. The memorandum said that there were no discretionary funds available to address the shortfall. It did not say that the $25,000 would be paid back, and did not mention that the office would be given $8,600 as an adjustment for the revised Gramm Rudman sequester. Because the memorandum originated in the BIA's Fisheries Office in Washington, it is possible that that office was unaware of the promise of the repayment of litigation support funds or the revised Gramm Rudman amounts.

8. On February 8 the Assistant Area Director (Program Services) wrote to Fisheries Branch employees officially notifying them of the proposal to furlough them for twenty-two workdays each. That notice specifically mentions the funding shortfall of $37,500 (which included the -$25,000 for litigation support). However the furlough of five employee for 22 working days each would project a savings of only $15,300; therefore the connection is unclear.

9. The Fisheries Program Administrator responded on the same day notifying the Assistant Area Director (Program Services) that the branch concurred with the furlough, and stating: "The maximum furlough time is predicated on the funding shortfall identified in our previous memoranda." The decision on the furlough was made by the Area Director with the full knowledge and concurrence of the Assistant Area Director (Program Services) and the Fisheries Program Administrator of the Branch of Fisheries. The Fisheries Program Administrator has stated that he was told orally that the $25,000 would eventually be paid back, but that given any possibility that it would not, it was necessary to comply with Personnel requirements for timely employee notice and opportunity to appeal. Furthermore, even if it was paid back, the Area Office and the Branch of Fisheries assumed a remaining $12,500 shortfall which had to be covered. At the time of the decision on the furlough, the Branch of Fisheries was not aware that an adjustment would be made in March giving the Branch $8,600 for the revised Gramm Rudman sequester amounts. It is not clear whether the Area Office was aware of that potential adjustment or not.

10. The furloughs began on March 2. On March 21, the AS/IA-TED approved a request for fund distribution for the repayment of the $25,000 for litigation support. On March 30, the AS/IA-TED approved the actual fund distribution document for the Portland Area office. On March 31, the adjustment adding $8,600 to the Branch of Fisheries account for the revised Gramm-Rudman sequestration amount was distributed to the Branch of Fisheries account. At this point the -$37,500 shortfall was reduced to $3,900. The furlough ended on April 6, resulting in a total of 6 days of furlough for each employee with a savings of $4,175, which made up the shortfall.

PENDING LITIGATION

Mr. YATES. I think what you ought to do is tell the Committee how much money you need for litigation support expenses. How many cases have you got pending that may require expert witnesses? Is this something we should have gotten from the Solicitor's office? I imagine you have to consult with the solicitors on this, don't you?

Mr. BROWN. Yes.

Mr. YATES. And I think you ought to find out from your solicitors, too, and tell us whether any of the cases that you are handling, or that the solicitors are handling, on behalf of Indians are being jeopardized because you don't have enough money to adequately try the case. I think that is important, too, to tell the Committee about that.

Mr. BROWN. Okay.

[The information follows:]

FUNDING FOR PENDING LITIGATION

Many of the requests received from tribes for litigation support funding are for data gathering such as studies and expert witnesses for long term cases about tribes exercising their off-reservation rights. Because many of these long term activities involve court proceedings, it is difficult to categorically state that any of the pending litigations would be jeopardized because of insufficient litigation support funding. Cases in this category included the Arkansas Riverbed, Great Lakes Indian Fish and Wildlife Commission, the Shoshone-Paiute Duck Valley Tribe, and those tribes involved in dam relicensing cases.

Since litigation support funds are granted or awarded based on an application from a tribe, the only tribes with pending litigation that might be jeopardized are those that do not file applications until the latter part of the fiscal year when the majority of litigation support funds have been committed.

Mr. YATES. I think we'll come back at 1:00.

AFTERNOON SESSION

Mr. YATES. In case I forgot to tell the recorder, Mr. Reporter, this letter from Leonard Haskie dated October 30, 1989, to Secretary Lujan, on the subject of the Navajo Indian irrigation project may go into the record, without objection.

[The information follows:]

THE NAVAJO NATION

LEONARD HASKIE
INTERIM CHAIRMAN
THE NAVAJO TRIBAL COUNCIL

IRVING BILLY
INTERIM VICE CHAIRMAN
THE NAVAJO TRIBAL COUNCIL

OCT 8 0

The Honorable Manual Lujan
Secretary of the Interior
18 and C Streets, N.W.
Washington, D.C. 20240

Dear Mr. Secretary:

The Bureau of Indian Affairs (BIA), pursuant to 25 U.S.C. Sec. 476(e), has informed the Navajo Tribal Council of the FY 1991 Department of the Interior budget request that has been submitted to the Office of Management and Budget (OMB) for BIA. I am writing on behalf of the Navajo Tribal Council to express our dismay over your decision not to request any funding for the Navajo Indian Irrigation Project (NIIP), and to request that you amend the Department's budget submission and take whatever other steps are necessary to ensure that adequate funding for NIIP is included in the President's FY 1991 budget request to Congress.

In 1962, Congress passed P.L. 87-483 which authorized the construction of the NIIP to provide for agricultural development on the Navajo Indian Reservation. The same law authorized the San Juan-Chama Diversion Project to divert water from the middle San Juan to the Rio Grande River Valley, including to your home, Albuquerque. Because the Navajo Nation has unquantified water rights to all San Juan water, it would have been impossible to divert water without Navajo Tribal Council approval. In exchange for the United States government commitment to construct NIIP, the Navajo Tribal Council, by resolution CD-86-57, agreed to support the construction of the San Juan-Chama project.

Appropriations and construction on the San Juan-Chama project proceeded as planned, and that project was completed on schedule in 1971. Despite the fact that Congress, in

authorizing NIIP and the San Juan-Chama project, contemplated that the projects would be built simultaneously, appropriations and construction for NIIP have always lagged behind the planned timetable for project completion. In fact, from FY 1982 through FY 1990, the Reagan Administration requested no funds in the President's budgets for NIIP construction. Since 1982, the Navajo Nation has been forced to go to Congress repeatedly to secure NIIP funds in appropriation bills.

Originally scheduled for completion in 1979, only about half the promised acreage is presently under irrigation. Even in its present uncompleted state, however, the beneficial economic impact of NIIP has been substantial. It presently has approximately 55,000 acres under cultivation. In 1970, the Navajo Nation created the Navajo Agricultural Projects Industries (NAPI), an enterprise to manage and operate NIIP, and all agricultural activities related to the project. Today, NAPI provides 300 full time jobs, and 130 or more seasonal job for Navajo people. NAPI has also provided land for 490 housing units sponsored by the Department of Housing and Urban Development, and a road system that connects to state and county roads for all-weather access to housing developments, oil, gas, and coal deposits.

For the past several years, NAPI has developed joint ventures with outside companies to grow and market gourmet mushrooms, onions, orchard and vine crops. NAPI has also created an industrial park which presently has tenants such as TORO Packaging Company and Valley Systems division of General Dynamics. The NIIP project is a location for NAPI bean storage and processing plant and potato storage facilities. NAPI is presently pursuing the development of a french fry and vegetable processing plant and is considering other joint venture businesses in aquaculture.

Through the joint ventures and construction contracts NAPI has created an average of 692 additional jobs annually. NAPI, through construction and operations of NIIP, joint ventures and the industrial park, has directly contributed $26 million annually to the Four Corners regional economy. This, in turn, has created a annual cumulative benefit of $58 million. The result is, therefore, that NIIP has evolved from simply an Indian irrigation project to the largest and most comprehensive economic development venture on the Reservation.

Continued delay by the United States Government to construct NIIP will result in further increased cost of

construction to the United States as well as the loss of further substantial economic benefits to the Navajo Nation and the Four Corners regional economy which could be realized from a completed project. Indeed, in a letter to the Assistant Inspector General for Audits from Acting Assistant Secretary - Indian Affairs Ragsdale dated April 29, 1988 (a copy of which is attached at Tab 1), the Acting Assistant Secretary states that "we believe the soil and land classifiers will testify to the fact that Blocks VII and VIII [the next phase of construction] contain the prime potato-producing lands of the project. In other words, Blocks VII and VIII are probably the most cost-effective pieces of land in the project." Also attached (Tab 2) is a draft letter from the Commissioner of the Bureau of Reclamation to the Assistant Secretary - Indian Affairs that discusses the costly impact that a disruption of the construction and contracting schedule would cause if no funds for NIIP are sought for FY 1991.

But, even discounting the economic benefits and lower construction costs that would be realized by a prompt completion of NIIP, there is a compelling reason why you should seek funding for NIIP construction: the United States Government made a binding, legal commitment to the Navajo Nation to build the project. The audit report of the Inspector General of the Department of the Interior on the Navajo Indian Irrigation Project (Report No. 88-43, February 1988) states that "it is generally agreed that the Tribe was promised a completed irrigation project of a certain size and, based on that promise, made important concessions in return for an irrigation project." In hearings on the FY 1985 budget before the Interior Subcommittee of the House Appropriations Committee, Assistant Secretary for Indian Affairs Smith speaking of NIIP stated, "it is a legal and moral obligation. It is a legal obligation... [a]nd there is no question that the project is going to have to be built." The following year, Chairman Yates asked Secretary of the Interior Hodel whether or not there is any question as to the legal right of the Navajo. Secretary Hodel answered: "I don't think there is any question as to the legal right." Last year, on the Senate floor, Senator Bingaman stated "[T]he federal government made a firm commitment to construct a project that would irrigate 110,630 acres of land and provide for 508,000 acres of water. The federal government still has a statutory obligation to complete construction of this project."

Mr. Secretary, you and President Bush have the opportunity to correct the callous disregard with which previous administrations have treated this legal and moral obligation.

On behalf of the Navajo Tribal Council, I implore you to honor the obligation of the United States to timely complete the construction of the Navajo Indian Irrigation Project and to immediately take steps to ensure that adequate funding for the next phase of NIIP construction is included in the President's FY 1991 budget.

Please call me if you have questions on this matter. Otherwise, I will be working through the Navajo Nation office in Washington to provide any additional information or assistance that you or your staff may need.

Sincerely,

Leonard Haskie
Interim Chairman
Navajo Tribal Council

cc: Eddie Brown
Assistant Secretary
Indian Affairs

EDUCATION

Mr. YATES. All right. Where are we? Education. All right. Tell us about your hopes.

Ms. RICHARDSON. We were hoping you'd talk about education because Mr. Parisian is all ready.

Mr. YATES. All right. Tell me why the people who were in the education branch had to be furloughed in order——[Laughter.]

WHITE HOUSE CONFERENCE ON EDUCATION

Mr. YATES. The White House conference on education included $500,000, to be held no later than September 30, 1991. Have you received your portion of these funds?

Mr. BROWN. No, sir.

Mr. YATES. You haven't? Well, do you expect to get them?

Mr. BROWN. We have been in discussions with the White House and the Department of Education on the White House conference. We have made some plans to move ahead in forming a task group by July 15.

Mr. YATES. What have they told you? Are you going to get any money?

Mr. BROWN. As far as funds, let me ask our budget individual here to respond to that. I'm not sure exactly.

Mr. YATES. Who is your budget individual?

Mr. BROWN. Right here.

Ms. RICHARDSON. Mr. Chairman, our understanding is that the staff costs from the various departments who are putting together the task force will come from within the budgets of those departments, and the money appropriated by Congress to actually hold the conference would be used for the expenses of the conference itself rather than the planning work in advance of the conference.

Mr. YATES. Was that intended by the Treasury and Post Office Committee? Do you know?

Ms. RICHARDSON. Yes. I think it is intended in the authorizing legislation which states that the departments involved will provide the staff support and office space for the planning work.

Mr. YATES. Are you going to hold a conference by September 1991?

Mr. BROWN. We understand that there has been some recommendation made to Congress to extend that one year. We are in support of extending that one year.

Mr. YATES. Have you been asked to contribute anything to the cost of the conference?

Mr. BROWN. There has been no discussion on that.

FORWARD FUNDING FOR SCHOOLS

Mr. YATES. Okay. Let's talk about forward funding for BIA schools. Should there be forward funding for BIA schools?

Mr. BROWN. As we've talked with——

Mr. YATES. That's the way with non-BIA schools. They have forward funding.

Mr. BROWN. As we've talked in our mini-summits, that has come up continually, sir, as a recommendation. It is one that we think is worthwhile and one that we're prepared to look at.

Mr. YATES. Well, if you don't have forward funding, the schools are penalized by the lateness of our budget, aren't they?

Mr. BROWN. Yes.

Mr. YATES. In order to forward fund, we're told there would be required $326 million in budget authority and $39 million in outlays. I don't know that OMB would ever agree to that. Those are the figures we have. Do you have contrary figures?

Ms. RICHARDSON. Well, Mr. Yates, our fiscal 1991 budget request for school operations is $231 million. Perhaps they've added in facilities O&M money or something else to that.

Mr. YATES. Here, it says it is a revised baseline projection. I don't know where they got the figure. Maybe we can check it and see how they arrived at it.

STANDARDS COMPLIANCE

Mr. YATES. Have you done anything to review BIA schools' compliance with education and dormitory standards?

Mr. PARISIAN. Yes, we have.

Mr. YATES. What have you done?

Mr. PARISIAN. We have the compliance reports that were due, and we have reviewed those over the last few months. I believe the compliance report that you were questioning, is that the report that was due?

Mr. YATES. Yes.

Mr. PARISIAN. That one was submitted as a preliminary draft to your office. The other one for 1988–1989 has also left our office and is in the Department for review and comment.

Mr. YATES. The report we have covers school years 1985–1986, 1986–1987, and 1987–1988.

Mr. PARISIAN. Yes, it does.

Mr. YATES. We're still waiting for——

Mr. PARISIAN. 1988–1989 has left OIEP's office, and we're reviewing the draft report on the earlier years right now and getting comments from the various offices within the Bureau and the Department.

ASSESSMENT OF SCHOOLS

Mr. YATES. You're supposed to begin comprehensive assessment of each BIA school every four years. Who is going to participate on the teams that make the assessments?

Mr. PARISIAN. That will be composed of people within the Bureau and also people at the school level; administrators, school board people. We have already been involved in a pilot project doing some assessment of schools. This is a part of what we want to do with the 1991 monitoring and evaluation.

Mr. YATES. Have any guidelines been prepared?

Mr. PARISIAN. We have guidelines as far as the process that we want to follow, formats, and questionnaires developed on what we are looking for at each school, yes.

Mr. YATES. Do you have any idea what the cost is going to be for carrying out those reviews?

Mr. PARISIAN. I think in the 1991 budget request we state that we will look at 45 schools the first year. And then every year after that, I believe the cost is $500,000 in the 1991 budget.

Mr. YATES. Is that enough for carrying out——

Mr. PARISIAN. It is enough to do the first phase, yes.

Mr. YATES. What do you intend to do with the reports by the teams?

Mr. PARISIAN. We hope to use them to identify those areas that need improvement and to work with those schools to begin a plan for improving in the areas that we find weaknesses.

Mr. YATES. And what are you doing about the large number of schools whose dormitories don't comply with standard 17?

Mr. PARISIAN. We are looking at the weaknesses that we find and trying to bring the dormitories into compliance.

Mr. YATES. Can you give us examples of how you do that?

Mr. PARISIAN. I can't give you specific examples now.

Mr. YATES. Can you put that into the record?

Mr. PARISIAN. Yes, I will.

[The information follows:]

ASSISTANCE TO DORMITORIES

The Standards Compliance Report forwarded to the Committee in draft documented serious shortcomings in the dormitories including the need for counselors, particularly at the elementary level; the need for library reference materials, and overcrowding especially in the student/staff ratios. The Bureau believes the recent increase in teacher, counselor and homeliving pay will attract qualified counselors and other personnel to work in the dormitories. These dormitory personnel are included in the training sessions begun in 1988 for Effective Schools which has as one of its correlates, safe environment in which to learn. In the May 24 and 25 consultation hearings held with Tribes in 11 sites around the country, one of the items to be discussed was the addition of a new Part 50 in Subchapter E of 25 CFR, entitled Safety and Health Inspection Program. This program applies also to the construction, use and occupancy of schools and as a result, a review of space will be made through this process. Additional problems, lack of furniture, materials and supplies have been addressed by using the Director's Contingency Fund to provide the needed items.

DORMITORY COUNSELORS

Mr. YATES. You haven't asked for any money for counselors for dormitories not in compliance.

Mr. PARISIAN. We've asked for money for substance abuse counseling. We haven't asked for money specifically for dorm counseling.

Mr. YATES. Should there be counselors for dormitories?

Mr. PARISIAN. There definitely have to be counselors for dorms.

Mr. YATES. Well, then how were you going to pay for them?

Mr. PARISIAN. Counselors are being paid for out of the dollars that are given to each school through the ISEP formula based on their student count.

Mr. YATES. You've got a review team that recommended that you ask for $375,000 in additional funding to fund one half-time counselor for 30 dormitories that aren't meeting the standard. We're not doing that in this budget, are we? Shouldn't we be?

Mr. PARISIAN. As I said, counselors are funded with the dollars that they're given in ISEP.

Mr. YATES. Do you have counselors in dormitories that haven't met the standard?

Mr. PARISIAN. I'm not sure. I'll have to check on that.

Mr. YATES. Shouldn't you really know that? A counselor is an important job for a dormitory, isn't it?

Mr. PARISIAN. Yes, it is.

Mr. YATES. I would think it would be. Why wouldn't you know whether they had them? Do we know how many dormitories don't meet the standard now? Well, at the end of the 1987 school year, there were 30 dormitories that didn't meet the standard. You don't know whether there are more or less than that now?

Mr. PARISIAN. No, I don't know. I can get them for you.

[The information follows:]

DORMITORIES NOT IN COMPLIANCE

The Bureau has 57 boarding schools (45 Bureau operated and 12 under contract) and 14 peripheral dormitories (8 Bureau operated and 6 under contract) for Indian students attending public schools.

Only 53 of the 71 dormitory locations reponded with a 1988-89 Standards Compliance Report. Of the 53 reporting, there were 15 that were in full compliance with the National Dormitory Criteria. The 38 remaining dormitories which reported are not in full compliance; and the status of the 18 locations which did not report is unknown at this time.

It is important to understand that the degree of "non-compliance" ranges widely, and that additional funding will not necessarily bring schools into compliance. The Compliance Report from each school is supposed to include a plan of action for correcting the problem, e.g. advertise vacant position or purchase textbooks. In some remote locations, schools experience difficulty recruiting and retaining accredited counselors; the Bureau does not have a solution to this problem.

Examples of non-compliance include the following:

—a position which happens to be vacant at the time of reporting but has been advertised;

—dormitory needs to purchase dictionaries and general reference materials;

—insufficient counselors for number of students;

—square footage not sufficient for number of students.

FUNDING FOR DORMITORY COUNSELORS

Mr. YATES. Well, that's going to be tough. It says it is going to be tough to find certified counselors who want to work in the dormitory program, and you've got to help find them. We don't know how many dormitories there are. We don't know whether any of the dormitories—I'm talking about those that haven't met standards—we don't know how many there are, at least this Committee doesn't know how many there are, even though we tried to find out. We don't know how many have counselors, either half-time or full-time. There is no money in this budget for it. Did you ask for money in the budget for this?

Mr. PARISIAN. For dormitory counselors?

Mr. YATES. Yes.

Mr. PARISIAN. No.

Mr. YATES. Shouldn't there be? What do you think?

Mr. BROWN. Yes, definitely, there have to be counselors. Again, those dollars, as Mr. Parisian mentioned, are taken out of the formula. Let us take a look at specifically those dormitories and evaluate it. Before I talk and speak any more on that, I'd have to find out exactly what we have in counselors, particularly at those dormitories that did not meet compliance.

Mr. YATES. How valid is the estimate that has been made for standard compliance for all schools reporting? The amount of the estimate is $3,785,260.

Ms. RICHARDSON. Mr. Chairman, our budget requests have addressed some of those issues. Part of it was textbook upgrade, and we had $300,000 last year for textbook upgrade. Another was equipment in the schools, and our budget this year has $625,000 for equipment, so some of those items have been and are being addressed in our budget request.

Mr. YATES. Does anybody know how many dormitories there are in BIA?

Mr. PARISIAN. There are 14 peripheral dormitories.

Mr. YATES. Forty?

Mr. PARISIAN. Fourteen.

Mr. YATES. And how many—the report talks about 30 dormitories that haven't met standard, so obviously there are at least 30. I wonder how many there are. How many dormitories met the standard? We know that 30 didn't.

Mr. BROWN. At this point, we don't have that specific information, but we can make sure that we get it for the record.

[The information follows:]

DORMITORIES IN COMPLIANCE WITH STANDARDS

The Bureau has 57 boarding schools (45 Bureau operated and 12 under contract) and 14 peripheral dormitories (8 Bureau operated and 6 under contract) for Indian students attending public schools.

Only 53 of the 71 dormitory locations responded with a 1988–89 Standards Compliance Report. Of the 53 reporting, there were 15 that were in full compliance with the National Dormitory Criteria.

COMPLIANCE WITH DORMITORY CRITERIA

Mr. YATES. Indian children are being housed there, aren't they?

Mr. BROWN. Yes.

Mr. YATES. And we don't know what shape they're in.

Mr. BROWN. No. I'm sure we know what shape they're in. It's just that we don't have the information right here to provide.

Ms. RICHARDSON. There are 71 total boarding schools and dormitories, Mr. Chairman.

Mr. YATES. Seventy-one. All right.

The Bureau of Indian Affairs furnished this committee with a report in compliance with our 1990 Interior appropriations bill. The report requested the Bureau's opinion on the lack of progress in meeting education standards in schools funding by the BIA, and this report has been furnished. It shows dormitories under standard 188—dormitory criteria, counselor requirement. Dormitories are required to have State-certified counselors in the following ratios. For elementary schools, fewer than 75 students, 1 half-time counselor; 75 to 150 students, 1 full-time counselor; 151 to 225 students, 1½ full-time counselor; 226-300 students, 2 full-time counselors.

The secondary schools: fewer than 100, 1 half-time counselor; 100 to 199 students, 1 full-time counselor; and 200 to 300 students, 1½ full-time counselor.

Well, then you've got a compliance report—1985–1986, number of schools reporting 52, compliance 16, non-compliance 36; 1986–1987, 61 schools reporting, 49 in compliance, 12 in non-compliance; 1987–1988, 49 schools reporting, 35 in compliance, 14 in non-compliance. You visit the schools. You visited 17 schools in 1985–1986. It says at that time that 13 were in compliance and 4 in non-compliance. In 1986–1987, you visited 14 schools. Two were in compliance, and 12 were in non-compliance. In 1987–1988, you visited 23 schools, of which 12 were in compliance, and 11 were in non-compliance. What do we do to improve that?

We've got your report on it. Is there anything in this report that says what they're doing to improve it? You've got $300,000 appropriated for a textbook upgrade. That doesn't talk about the counselors. You don't know anything about the counselors now, do you?

Mr. BROWN. No, sir. Mr. Parisian may have some response to that.

Mr. YATES. To what? Numbers of counselors?

Mr. BROWN. You were asking what we were doing to——

Mr. YATES. Yes. What are you doing about the question of counselors? I don't think Mr. Parisian has anything. I think he said he didn't know, didn't he?

Mr. PARISIAN. Well, we're trying to—I think if you look in the 1991 budget, with the teacher pay and those dollars that we're trying to put in there, we're trying to attract more teachers. As I've said, most of the counselors at the schools that we have are paid through ISEF money. We do have some schools that have trouble finding certified counselors, yes, and we are trying to find and attract those people to our school system.

SCHOOL SITE VISITS

Mr. YATES. Well, who does the visits? You say, "number of schools visited," for example. In 1987–1988, 23 schools visited. Who visits the schools?

Mr. PARISIAN. Staff from the Office of Indian Education programs. Most of those figures were self-reported by the schools, and then we had people from our central office go out and visit to see if, in fact, those counselors were there and if they were certified.

Mr. YATES. This says, "23 schools visited." How often do you visit a school? Once every four years?

Mr. PARISIAN. We're proposing to visit once every three years, I believe, in the 1991 budget with the monitoring and evaluation dollars that were requested.

Mr. YATES. How many people do you have who are doing the visiting? You said that your staff——

Mr. PARISIAN. The staff within the central office. Right now we have positions in the central office branch of "Planning, Oversight, and Evaluation." They take the lead in the visits.

Mr. YATES. How many are there in that group?

Mr. PARISIAN. In that office?

Mr. YATES. Yes.

Mr. PARISIAN. The staff was, I believe, about six positions. There is only one in there right now.

Mr. YATES. If you only have one in there, who is visiting the schools?

Mr. PARISIAN. Well, we also delegate that out to our area and agency superintendents of education to visit the schools. They all have schools that are under their jurisdiction, and part of their responsibility is to visit the schools.

Mr. YATES. Well, actually then the people from your central office don't visit them.

Mr. PARISIAN. Oh, yes.

Mr. YATES. You don't have enough. You say there is only one person on your–did you want to say something?

Mr. PARISIAN. There is one person in Planning, Oversight, and Evaluation, but we have other people in other branches that do visit the schools in elementary and secondary education. We have our budget people and others.

Mr. YATES. Out of what offices?

Mr. PARISIAN. It is within the Office of Indian Education.

Mr. YATES. Are they qualified to visit? Do you have to be qualified to make visits?

Mr. PARISIAN. They should understand the educational process, yes. I believe they are qualified.

Mr. YATES. How many people do you have who are qualified to make visits and are making visits?

Mr. PARISIAN. I'm not sure of that number, but I can get it for you.

Mr. YATES. Okay.

[The information follows:]

QUALIFIED EDUCATION STAFF

The Bureau staff who made the site visits to validate the information in the draft Standards Compliance Report for FY 1985–86 through FY 1988, recently sent to the Committee, consisted of Bureau and Contract personnel. Specifically, the team was chaired by a high school principal with a number of years in the Bureau. Originally, the team consisted of three school principals, one high school and 2 elementary, and a high school teacher-supervisor. As the teams progressed in looking at the schools, the decision was made by the Office of Indian Education Programs to use this opportunity to train some of the Education Line Officers in methods of monitoring schools. The second year, four Agency Superintendents for Education were added. All these personnel are state certified administrators who have a number of years in the Bureau system. The last year of the visitations, four more Agency Superintendents for Education were added and two Education Program Administrators. All of these personnel are state certified administrators. Since that time, no other visitations have been made to the schools by this team; however other education personnel periodically visit the schools for monitoring purposes.

DRUG-FREE SCHOOLS

Mr. YATES. Well, you've received $3,475,000 under the Drug-Free Schools and Communities Act for curriculum materials and organized activities. How will these funds be allocated among the schools?

Mr. PARISIAN. They went out on a base of $6,000 per school and an additional amount based on average daily membership.

Mr. YATES. Did $6,000 go out to each school?

Mr. PARISIAN. Yes.

Mr. YATES. When did they go out? Is this the first year?

Mr. PARISIAN. No.

Mr. YATES. How well is the program working? Does nobody know?

Mr. PARISIAN. I feel it is working well and that schools are able to do prevention activities with it and develop curricula in drug, alcohol, and substance abuse.

Mr. YATES. How do you know that, Mr. Parisian?

Mr. PARISIAN. Well, I am answering from personal experience because I was a superintendent of a school up until February and received those funds, and that's how we used those funds. I felt that they were used very successfully in helping us with prevention activities.

Mr. YATES. How were they used for prevention activities? What did you do?

Mr. PARISIAN. Well, we did a lot of things such as developing student action teams at the junior high level or at the high school level and did a lot of things in drug prevention with curricula bringing people in. Like on New Year's Eve, graduation night, alcohol-free events—just different activities that were done as far as prevention is concerned.

STUDENT TRANSPORTATION

Mr. YATES. All right. Let's talk about student transportation, which has been merged into regular formula funding. It has been cut this year, yet we received a letter from the Eastern Band of Cherokee Indians, Jonathan L. Taylor, the principal chief, and he says to you Dr. Brown, "We are desperate. Our tribe has contracted with BIA to provide school transportation for Cherokee schools each year since 1964, and we have developed one of the most safe and efficient school transportation systems in the country as indicated by frequent nationwide awards for safety and efficiency.

"However, we have reached the point where it is impossible to continue unless we get some assistance from BIA. Needless to say, if we have no school transportation, we have no school. Under the BIA ISEF funding formula, our funding has been reduced each year from $1.45 a mile in fiscal year 1983 to $1.15 a mile in fiscal year 1990. During that time—the same period of time—the nationwide average cost for public school transportation has increased from $1.60 per mile in 1983 to approximately $2.25 per mile in 1990, even though BIA roads are generally in worse condition than State roads.

"Last year, we worked with the House Appropriations Committee and were successful in getting over $800,000 out of the BIA's transportation budget. While this was not enough, we thought that at least for once we were making progress. We were stunned when we received our allocation and found we were getting 2 cents per mile less than last year.

"We called the BIA education central office for an explanation. We were told that the Bureau-wide school buses were running approximately 600,000 more miles this year than last year. When we asked how this was possible, we were told that most schools had stopped using the standard-sized buses and were using smaller 17-passenger buses, thereby adding tremendous mileage to BIA's ISEF formula.

"Last year, our actual cost for school transportation was $348,777. The BIA ISEF allocation for this year is only $288,144. That leaves us short by $60,633. There is no way the tribe can absorb this amount. Neither can the school absorb this amount because their ISEF allocation doesn't even cover their minimum costs of maintaining BIA education standards."

Mr. Parisian blindly said, "Well, we'll take it out of the ISEF formula." You take everything out of the ISEF formula, apparently. There isn't enough to go around then, is there?

Mr. BROWN. We spent time looking at the increase in transportation, yes, sir.

Mr. YATES. What do you mean? Do you mean it is not enough?

Mr. BROWN. Given the increased mileage, smaller vehicles, et cetera, that we did not project, yes, that has put a crimp into our budget.

Mr. YATES. Well, what's a small passenger bus? Is 66 passengers a small bus?

Mr. PARISIAN. It is considered a large bus.

Mr. YATES. This is what they say. "It actually cost $1.39 per mile to operate our 66-passenger buses last year, so it is not a small bus. We do operate 50- and 18-passenger buses for our children's home operation. That costs 95 cents per mile to operate. The present formula that provides everyone with $1.15 cents per mile regardless of what size is in no way equitable. We do not need another study. BIA has funded at least four studies since 1984, with each study recommending that BIA school transportation be funded at the rate of at least $2.00 per mile."

BIA likes to have studies. For instance, we go back to the Navajo irrigation projects. You've got another study coming up on the feasibility, haven't you?

Mr. BROWN. Yes, but we are not proposing a study on the transportation formula, sir.

Mr. YATES. Why not? You've only had four.

Mr. BROWN. Well, we figured that is enough.

TRANSPORTATION FORMULA

Mr. YATES. Why don't you comply with what the studies recommend?

Mr. BROWN. Mr. Parisian and his staff are currently looking at that, and maybe he should fill you in on that.

Mr. PARISIAN. Since I've come on board, I have looked at the comments we have received from the education summits and the resolutions that have come in similar to that. We are looking at transportation and how that formula was derived. Instead of reinventing the wheel, we have also looked at some of the State formulas.

Mr. YATES. Which formula, the $2.00 per mile?

Mr. PARISIAN. The formula for funding transportation for——

Mr. YATES. In the studies? You had four studies. Why are you looking at it again? That is another study.

Mr. PARISIAN. Well, we're looking at the formula to see what is more equitable. What we're trying to do is look at how States fund it, as you mentioned as part of that letter.

Mr. YATES. But didn't the studies show that? When you have a study, wouldn't that show—I would think they'd look at how comparable operations have taken place. What he's talking about is another study.

Mr. BROWN. No. I think he is probably talking about the analysis of the studies—what's there in the State.

Mr. YATES. Why are you looking at it then? I mean, the conclusion is $2.00 per mile. But if four studies say you need $2.00 per mile, how many more do you need to take it down to $1.15, which is what you make available? How do you justify $1.15?

Ms. RICHARDSON. Mr. Yates, the miles aren't known until a year following the submission of the budget when the count is done at the beginning of the year.

Mr. YATES. Linda, how many years do you have to look at to know that $1.15 isn't adequate?

Ms. RICHARDSON. Well, a lot of that is because of that extra 600,000 miles, which is pointed out in the letter. That gentleman has a 67-passenger bus. If he traded that in for three 17-passenger buses, he could probably triple his road miles and triple his allocation. It doesn't mean he is picking up any more students; it just means that he has more buses going out on more routes. I think that is one of the things that is being reviewed.

Mr. YATES. What is being reviewed? To see why they take smaller buses than larger ones?

Ms. RICHARDSON. The equity between a 67-student bus making one route to pick up their children and getting one rate of funding and three buses going out from another school, picking up the same number of students, but they may have two or three times as many miles charged because they are sending out more buses.

Mr. YATES. Linda, you aren't even paying them enough for the 66-passenger bus, even if they're using the smaller buses.

Ms. RICHARDSON. Yes, sir, because he points out that they——

Mr. YATES. Presumably, you're blaming them for moving to smaller buses. You're not even paying them for using bigger buses.

Ms. RICHARDSON. That's the point that he makes well, there is a different cost in running a large bus versus a smaller bus. There are some efficiencies on one, but our current formula does not recognize any difference based on the type of vehicle. It is only on road miles.

Mr. YATES. It surely does not recognize it. And no one recognizes what the costs are for operating a big bus either.

Ms. RICHARDSON. Right.

FUNDING FOR STUDENT TRANSPORTATION

Mr. YATES. Okay, then. What should we do? Should we close the schools? Close the bus operations? What should we do? What do you want the tribes to do if you don't give them the money to run the buses? What do you suggest, Mr. Brown?

Mr. BROWN. Well, one is we've got to take a look at the funding.

Mr. YATES. Why do you have to look at the funding? You know right now that you're not paying enough, don't you?

Mr. BROWN. The question is what kind of formula would give us the kind of equitable distribution that is needed.

Mr. YATES. But you had four studies already. Presumably those studying the formula didn't have——

Mr. BROWN. I have not personally seen the four studies. I do not know if any of the studies propose a formula that would be more equitable than what we've got here.

Mr. YATES. Any formula has to be more equitable than the one you have here. There is no question about that. The question is: why don't you tell us how much money you need for your transportation to the Indian schools? Unless you're not interested in educating the Indian children. She says that we may as well close the schools if you don't give them money for transportation.

GSA BUS LEASES

Another problem—a letter addressed to Secretary Brown. Aren't you glad you came aboard, Secretary Brown? [Laughter.]

Mr. YATES. This is from Hobbs, Straus, Dean and Wilder law offices, April 18, 1990, regarding BIA transportation funding. "Dear Assistant Secretary, we just learned that at least two regional offices of the General Services Administration will soon be implementing dramatic increases in school bus lease costs." Do you lease buses from GSA?

Mr. PARISIAN. Yes, we do.

Mr. YATES. All right. They're increasing that, aren't they? Are they increasing the cost?

Mr. PARISIAN. Yes, in those two instances.

Mr. YATES. What about the others?

Mr. PARISIAN. I believe it is across the board, as far as GSA is concerned.

Mr. YATES. Well, then, you're going to hear from them all, aren't you?

Mr. PARISIAN. I imagine, yes.

Mr. YATES. The Mississippi Choctaw Tribe has been advised by GSA officials in Jackson, Mississippi that bus lease costs will jump nearly 50 percent from the current $205 per month to $307 per month. Okay. Now does anybody ask GSA why they're increasing the cost? Does anybody know whether you ought to buy the buses rather than lease them? GSA knows they are leasing 20 passenger buses, which is something that you fellows don't know.

Mr. BROWN. The date of that letter is what, sir?

Mr. YATES. April 18.

Mr. PARISIAN. We're aware of the letter, and we're checking into it. We don't have any results at this time as far as why and what their reasons are for raising the lease payment.

Mr. YATES. If it goes up, then that——

Mr. PARISIAN. It creates another problem.

Mr. YATES. This letter may go into the record.

[The information follows:]

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April 18, 1990

Honorable Eddie F. Brown
Assistant Secretary, Indian Affairs
Room 4160
U.S. Department of the Interior
Washington, D.C. 20240

Re: BIA Student Transportation Funding;
Increase in GSA Bus Lease Rates

Dear Mr. Assistant Secretary:

We have just learned that at least two Regional Office of the General Service Administration will soon be implementing dramatic increases in school bus lease costs. Since BIA-funded schools lease their buses from GSA, these increases will deal yet another blow to the already severely strained transportation budgets of Bureau-funded schools.

The Mississippi Choctaw Tribe has been advised by GSA officials in Jackson, MS, that the bus lease cost will jump nearly 50% -- from the current $205/month to $307/month. To service the schools on its reservation, the Tribe leases 22 buses from GSA. Choctaw tribal officials estimate that the higher bus lease cost will cause this element of their yearly budget to increase by $27,000.

The GSA Office in Gallup, NM, which supplies buses to schools on the Navajo Reservation, plans even greater lease increases:

- 20-passenger buses: up from $161/mo. to $297/mo. (an 84.5% increase)

- 48-passenger buses: up from $205/mo. to $340/mo. (nearly a 66% increase)

- 60-passenger buses: up from $205/mo. to $370/mo. (an 80.5% increase)

On behalf of the National Indian Education Association, the Association of Navajo Community Controlled School Boards and the Mississippi Band of Choctaw Indians, we make two urgent requests:

First, we urge that BIA endorse our pending request for an FY90 emergency supplemental appropriation of $4 million for the student transportation element of the BIA's budget. This sum, which would increase the transportation rate to $1.55/mile, would merely give schools a 3% per year increase over the FY86 rate of $1.38/mile. Although transportation costs go up every year, the allowance for transportation has continued to decline to the point that schools are now receiving only $1.15/mile. Now that GSA will be putting additional pressure on school transportation budgets, it is absolutely essential that the schools be provided with the means to respond.

Second, we ask that BIA submit an amendment to its FY91 budget to increase the amount sought for student transportation. Despite significant increases in miles to be funded (up more than 700,000) and in transportation costs, the BIA has asked for less transportation funding. The upcoming GSA bus lease increase, about which the Bureau was apparently unaware when it developed the FY91 budget, is a significant fact that must be immediately communicated to Congress together with analysis of the funding impact on the service population -- the 180 BIA-funded schools. Even before the GSA cost increases were announced, schools' per mile costs were in the range of $1.58 - $2.00/mile. The BIA's FY91 request would provide less than $1.15/mile. A significant increase in this request is essential.

Mr. Assistant Secretary, in your travels through Indian country, you have demonstrated the high priority you and Secretary Lujan have placed on improving Bureau-funded schools. Those schools are in great need of your assistance on this issue of transportation funding. With the severe snortage in the transportation budget, schools have no choice but to use their instructional funds to make up the difference, because they have to get the children to school before they can educate them. The continual transportation drain on instructional budgets poses a significant impediment

to achieving enhanced educational opportunities for Indian children. Your help is urgently needed.

Sincerely yours,

HOBBS, STRAUS, DEAN & WILDER

Carol L. Barbero

By: Carol L. Barbero

cc: Honorable Sidney R. Yates
Honorable Robert C. Byrd
Honorable Daniel K. Inouye
Honorable John McCain
Mr. Ed Parisian, Director, OIEP
Mr. Bob Swan, President, NIEA
Mr. Ernest Dick, Director, ANCCSB
Mr. Philip Martin, Chief, Mississippi Choctaw

INCREASED GSA LEASE COSTS

Mr. YATES. Secretary Brown ought to be aware of it. It is addressed to him.

Mr. BROWN. Right. As Mr. Parisian indicated, we are aware of that. We were notified two weeks ago and are pursuing that.

Mr. YATES. How do we deal with this problem? How much money do you need to provide for transportation?

Ms. RICHARDSON. Mr. Chairman, without any change, we could take the number of miles that were reported, multiply it by whatever one thinks is the right amount per mile, and give an answer which doesn't get to the question of "Should we be providing different rates for the small versus the large buses?"

Mr. YATES. Well, you're going to have to look at GSA leases. You're going to have to find out how many buses you have in the Indian school system. This letter from the law office indicates there are three sizes of buses—20 passenger, 48 passenger, and 66 passenger—that you're going to have to deal with. I suspect that you ought to find out how many buses there are out there and what the mileage is, and then let us know. We think the kids ought to be educated. We think you ought to have transportation systems, which bring them to and from their schools.

Now here is a request for 15 replacement school buses. Now I thought you leased the buses. How many leases and how many purchases are there? Take a look at that, too, will you? Let us know.

Mr. BROWN. Yes.

[The information follows:]

BUSES FOR EDUCATION

Based on a recent survey of all Bureau-funded schools (contract, grant, and Bureau operated), with 150 schools reporting, it appears that the Bureau leases approximately 500 school buses from GSA. The buses range in size from 22 to 66 passengers. Other buses are leased from public schools or the respective tribe. It appears that the only buses the Bureau must purchase are those new buses which are not on the GSA replacement schedule.

TEACHER PAY

Mr. YATES. Okay. You want $8.8 million for the second year of a phase-in of the DOD teacher pay scale?

Mr. BROWN. Yes.

Mr. YATES. Several groups of Indians have appeared before us to say that the first year's add-on in 1990 fell short. They say that the amount didn't take into consideration fringe benefits because the increase was distributed by the formula based on WSU's rather than on the basis of staffing analysis. First of all, do you agree there is a shortfall in 1990?

Mr. BROWN. Yes, sir. When the teacher pay increase was calculated, benefits for 1990 and 1991 were not included. That would total in 1990 $2.8 million. For 1991, it would be $2.8 million.

Mr. YATES. Do you need the $2.8 million in the supplemental? What are the figures you were short?

Mr. BROWN. $2.8 million in 1990, and——

Mr. YATES. Do you need that in the supplemental? How do you deal with it? How do you propose to deal with your shortfall?

Mr. BROWN. Currently, our approach has been to——

Ms. RICHARDSON. Mr. Chairman, the schools get their money, and they have to pay all of their costs from them whether it is teacher's pay, equipment, school books, or supplies. So, obviously, the salary requirements are the first thing to be met. The funds that are needed for pay will not be available to buy equipment, books, materials, field trips.

Mr. YATES. Linda, how short is ISEF for 1990?

Ms. RICHARDSON. Well, there was not only the neglect on calculating the benefits, but DOD also had another pay raise of 5 percent a month or two ago. I believe we will have a shortage if we have to pay that additional 5 percent of the DOD raise that happened in the spring. DOD makes their pay raise retroactive to the beginning of the year.

Legislation with respect to BIA moving to the DOD pay rates is not clear as to whether we have to follow exactly what DOD does and make the pay rates retroactive. Once that is determined, we could be short even more if it is determined that we do have to do exactly what DOD does.

Mr. YATES. Should we put any money in the supplemental?

Ms. RICHARDSON. If there's money within the Deficit Reduction Act allowance, I'm sure this would be a worthy cause.

Mr. YATES. Can you tell us how much we ought to put in? We're going to meet on the supplemental in the next day or so.

Ms. RICHARDSON. We know the $2.8 million for the benefits. The other issue is in litigation or will be.

Mr. PARISIAN. The estimate as far as the teacher pay increase is $800,000. That is the estimate for the spring.

TRANSPORTATION SHORTFALL

Mr. YATES. Are these the only shortfalls? We know there is a transportation shortfall. Is that figure——

Ms. RICHARDSON. Transportation, though, because of the $800,000 added by Congress last year, is not so much of a problem any longer.

Mr. YATES. For 1990? It would be for 1991, right? The letters we've gotten indicate that the problem is here.

Ms. RICHARDSON. Some schools, of course, are getting more. We're not transporting any more children than we were last year. The same number of children—actually fewer children are being transported, so some schools are getting actually more money. Congress added $800,000, so there is more money available for transportation. The rate per mile has gone down.

Mr. YATES. But you're the ones who are distributing the $800,000, so——

Ms. RICHARDSON. Some schools have more.

Mr. YATES. Are you saying some schools are getting too much?

Ms. RICHARDSON. Some schools are definitely experiencing an increase this year in total funding for transportation over what they had last year.

Mr. YATES. Yes, but the reason for that is they need it. Otherwise you wouldn't give it to them, right? Don't you give it to them?

Ms. RICHARDSON. We definitely give it to them.

Mr. YATES. Okay. You wouldn't give it to them if they didn't need it, would you?

Ms. RICHARDSON. We give it to them based on a formula, which is not necessarily based on the costs involved at the location.

Mr. YATES. Well, figure the formula. Does BIA figure the formula?

Ms. RICHARDSON. The schools report the mileage.

Mr. YATES. And BIA——

Ms. RICHARDSON. And we divide the mileage into the dollars, and that is the formula.

Mr. YATES. All right. What do you want this Committee to do? Do you want this Committee to put money in for 1991 on this? What do you want to do about the $2.2 million? Do you want this to show up in the supplemental? What would you do, Linda?

Ms. RICHARDSON. I think BIA is a very high priority within the Federal Government. If there is money sitting on the table, we always have our hand out.

Mr. YATES. To $1.38 a mile—the law firm estimated $2,339,471 for fiscal year 1990. How do they know? How does the law firm know? Let's give BIA a copy of it. We want to look at formulas.

TEACHER PAY FOR 1990

What do you want to do with the teachers? Nobody has answered that. Do you want to answer that? Secretary Brown, they say you're responsible for BIA now. Do you want to tell us what to do about the teachers?

Mr. BROWN. Teachers, in what way, sir?

Mr. YATES. For the 1990 budget. There is a shortfall of $2.2 million. How are you going to make it up?

Mr. BROWN. As I understand, that is being absorbed through the ISEF formula.

Mr. PARISIAN. The teachers are being paid a pay raise, and the schools have to absorb that cost.

Mr. YATES. How are they going to absorb it? We're not giving you enough money now.

Mr. PARISIAN. What they're doing is absorbing it in less supplies, and materials, and in those kinds of things.

Mr. YATES. They're going to take it out of textbooks, pencils, paper, and things like that, right?

Mr. PARISIAN. That's what they're having to do right now, yes.

Mr. YATES. Well, why should they have to do that? Why shouldn't you tell us what they need? Does anybody want to answer that?

Mr. BROWN. Well, sir, we've indicated about $2.8 in 1990 and 1991.

Mr. YATES. We're short, but he says that they're doing it now in the 1990 budget. They're cutting it back right now.

Mr. BROWN. Right, in the 1990 budget.

Mr. YATES. Why don't you furlough your employees, so you can buy the kids the books, the paper, and the pencils?

Mr. BROWN. We do have a plan to possibly start two weeks later in the school season. Students will still be attending the same number of days.

Mr. YATES. Right. Yes. If you start two weeks later, how do they attend the same number of days? Saturdays and Sundays?

Mr. BROWN. No. We make it up at the other end of the year. It goes into June.

Mr. YATES. How does that help you?

Ms. RICHARDSON. It reduces our funding requirements for fiscal year 1990 because most of our teachers are furloughed during the summer, and so they would be in the furlough status for two additional weeks before school starts.

Mr. YATES. So you join the BIA staff and you're entitled to a furlough, right? All right. Then, if you have an additional shortfall, they have to take another week's furlough, right? Is that the way it works? How many furloughs can you give?

Ms. RICHARDSON. Educational staff are generally furloughed in the summer.

Mr. YATES. I guess education is not important.

Mr. BROWN. No. It's very important, sir.

Mr. YATES. Then why don't you ask us for money? Isn't that your responsibility, Mr. Brown?

Mr. BROWN. Yes, sir. My responsibility is to take a look at the funding requirements and the funding parameters that we have and try to use those resources in the most effective way.

Mr. YATES. Well, now you have certain resources that you have from OMB. They tell you what you can do. This committee doesn't have to abide by OMB. This Committee thinks that they have an obligation to educate the Indian children. Tell us what you want us to do? Give us the estimate of the money you need.

Mr. BROWN. We are certainly willing to provide the numbers.

Mr. YATES. That's what I'm asking for. So far I've had nobody tell me that you're willing to do it.

Mr. BROWN. We will provide for you the numbers in regards to the shortfall.

Mr. YATES. What you need for 1990.

Mr. BROWN. For 1990.

Mr. YATES. You better do that in a hurry because we're going to close up shop on the supplemental very quickly. We also want to know what the shortfalls are likely to be for 1991.

[The information follows:]

EDUCATION SHORTFALLS IN FY 1990

For the following reasons, the cost of implementing the DOD pay scale has been higher than was originally estimated by the Bureau:

—in estimating the cost of the teacher pay raise, the Bureau did not include a calculation of the increased cost of employee benefits which is now estimated to be $2.8 million in FY 1990;

—in April, the DOD established a 5.5% pay raise for teachers which was not factored into our calculation; and

—"status-quo" teachers still in the General Schedule (GS) System have found the pay raise a significant incentive to convert teacher status. These teachers have been in the system many years and often have advanced degrees, therefore, the cost of an individual's pay raise can be substantial.

The Defense Department applies its pay raises retroactively to the beginning of the school year. The application of this pay raise is the subject of litigation against the Bureau of Indian Affairs, because we interpret P.L. 100-297 as requiring us to use the DOD pay scale but not necessarily to apply the raise in the same manner as DOD. If the 5.5% pay raise is applied with the new BIA contract year beginning in August 1990, the cost would be about $800,000. Should the Bureau be directed to pay

the raise retroactively to the beginning of the current contract year, the cost would be about $3.4 million.

Based on reports from schools, there is also a shortfall in student transportation funding. Since more miles were reported in FY 1990, the payment per mile was only $1.15. Schools estimate that $1.38 per mile would more adequately cover their costs. The cost to raise the per mile rate from $1.15 to $1.38 would be approximately $2.3 million.

EDUCATION SHORTFALLS IN FY 1991

For the following reasons, the cost of implementing the DOD pay scale has been higher than was originally estimated by the Bureau:

—in estimating the cost of the teacher pay raise, the Bureau did not include a calculation of the increased cost of employee benefits which is now estimated to be $5.6 million ($2.8 million for FY 1990 plus an additional $2.8 million in FY 1991);

—in April, the DOD established a 5.5% pay raise for teachers which was not factored into our calculation; and

—"status-quo" teachers still in the General Schedule (GS) System have found the pay raise a significant incentive to convert to contract teacher status. There are an estimated 1,400 "status quo" teachers, counselors, and homeliving specialist in the GS system. The Bureau is currently surveying the remaining "status quo" personnel to determine how many of them intend to convert. Preliminary information indicates that about one-third may convert.

The Bureau will continue efforts to refine the cost estimate by surveying actual costs incurred for salaries at each school. Given the large turnover in school staffs, however, this will produce only an estimate of what the costs may be in a future year.

GENERAL ASSISTANCE

Mr. YATES. Let's talk about all of the money you make available under the general assistance program. Any shortfalls there, Mr. Brown?

Mr. BROWN. Yes, sir.

Mr. YATES. How much is the shortfall there for fiscal year 1990?

Mr. BROWN. 1990? We are projecting a range of anywhere from $3.7 to——

Ms. RICHARDSON. About $10 million.

Mr. YATES. $3.7 to $10 million? You can't know any more precisely than that?

Ms. RICHARDSON. Mr. Chairman, the $3.7 million comes from the estimates just on Washington and Oregon and the $10 million is an estimate of the Bureau-wide requirements.

Mr. YATES. All right. That is for how many tribes?

Mr. BROWN. Two States.

Mr. YATES. How many tribes are in those States?

Mr. BROWN. 42.

Mr. YATES. And so you're estimating a shortfall of approximately $10 million? How are you going to deal with it? You didn't ask for any money in the supplemental for that, did you?

Mr. BROWN. No, we did not.

Mr. YATES. How are you going to deal with it?

Mr. BROWN. We are preparing a reprogramming and looking at——

Mr. YATES. From what?

Mr. BROWN. We're looking at a number of sources. One is the——

Ms. RICHARDSON. The calendar year contracting portion.

Mr. YATES. Do you know how much of the $54 million you're going to need?

Mr. BROWN. Yes. $38 million will be utilized in the contracting, which then would make the remaining available to take a look at the possibilities in reprogramming.

Mr. YATES. Tony?

Mr. ITTEILAG. Mr. Chairman, we need a bill language change in order to use part of that $54 million for another purpose because that amount was earmarked in the Appropriations Act.

Mr. YATES. But we'll have to do the supplemental. You better include your needs for 1990. What about 1991? Is there an adequate estimate for 1991?

Mr. BROWN. Sir, we'll be facing the same situation that we're facing now given the calculations that we're looking at.

Mr. YATES. You're going to need another $10 million for 1991?

RETROACTIVE GENERAL ASSISTANCE IN WASHINGTON AND OREGON

Mr. BROWN. We have that plus the retroactive payment settlement in regards to the State of Washington.

Mr. YATES. What is that? How much is that?

Mr. BROWN. That is estimated anywhere between—what are the figures on that?

Mr. EDEN. It ranges between $7 and $48 million on retroactive payments. We simply will not know what the real figures are until much later on this summer when all of the people who were eligible have been processed and we have the final bottom line.

LAW ENFORCEMENT SHORTFALL

Mr. YATES. There is a shortfall in law enforcement, right?

Ms. RICHARDSON. Yes, sir, there is.

Mr. YATES. Is that 1990, 1991, or both?

Ms. RICHARDSON. There is a new pay scale for law enforcement officers, which we have budgeted for in fiscal year 1991, but which is not in our 1990 budget. We have proposed reprogramming because we had appropriations for staffing the juvenile detention facilities, and those facilities will not be opened this year, so the $1.5 million that was appropriated for that would be available for other law enforcement requirements.

JUVENILE DETENTION FACILITIES

Mr. YATES. Why won't they be opening this year?

Ms. RICHARDSON. They're not finished being built.

Mr. YATES. Was the $1.5 million for their operation?

Ms. RICHARDSON. Yes, sir.

Mr. YATES. When are they going to be open?

Ms. RICHARDSON. The first one will be opening in fiscal year 1991.

Mr. YATES. Not 1990?

Ms. RICHARDSON. No, sir.

Mr. YATES. Staff tells me that the Senate is taking that money for two of its purposes.

Ms. RICHARDSON. Some of it is proposed in the supplemental to be used for St. Regis and for spearfishing.

Mr. YATES. Spearfishing in Senator Inouye's district? What is the matter, Mr. Itteilag? You look like you're in pain.

Mr. ITTEILAG. No. That's okay. [Laughter.]

Mr. YATES. Well, how much money are you short on the 1990 law enforcement? Flathead came up and said that they needed money for law enforcement.

Ms. RICHARDSON. Mr. Yates, the calculation that we have for costs of the pay raise and the uniform allowance for the Bureau operated programs, which is included in our 1991 request, is $802,000. So depending on how much of the $1.5 million may be earmarked for other purposes in the supplemental, we believe that a reprogramming of that amount will take care of us for law enforcement this year.

LITIGATION SUPPORT AND ATTORNEY'S FEES

Mr. YATES. Okay. Economic development? Let's talk about litigation support and attorney's fees. We talked about litigation for court earlier. We haven't talked about attorney's fees. You have cut the need for attorney's fees by another $1 million for the 1991 budget. Do you have enough money for payment of attorney's fees in the 1990 budget?

Mr. BROWN. Let me have Mr. Pat Hayes talk in regard to his applications for attorney's fees.

Mr. HAYES. Based upon the number of applications we have received, and the decisions that have been made on the applications thus far, it appears that we have enough money to pay attorney's fees.

Mr. YATES. For 1990?

Mr. HAYES. Yes, sir.

Mr. YATES. Is there any basis, based upon what you have received so far, to cut the budget for 1991 by $1 million?

Mr. HAYES. The reduction reflected an add-on by the Congress last year.

Mr. YATES. I know that, but you cut it back. If the Congress hadn't added that money to the 1990 budget, would you have had a shortfall? In other words, are you in surplus for 1990 of $1 million?

Mr. HAYES. No, sir.

Mr. YATES. You're not. Okay. Then why isn't that same amount needed for 1991?

Mr. HAYES. Sir, we believe that with the amount of money we have requested we, through our review process, can meet the most critical needs of the applications that come in.

Mr. YATES. What about the non-critical needs?

Mr. HAYES. They would be the highest priority applications that come in.

Mr. YATES. What about the other needs? How are you going to pay for those?

Mr. HAYES. We would not be able to.

ARKANSAS RIVERBED SURVEYS

Mr. YATES. What is the current status of the cases involving the Arkansas River Bed?

Mr. BROWN. Pat?

Mr. HAYES. We have provided $150,000 in litigation support to the Arkansas Riverbed Authority. The money that was added by

the Congress last year has been provided to the Bureau of Land Management for their use in the performance of cadastral surveys along the river bed. As these surveys are progressing, the results of the surveys are being provided to our solicitor's office in Tulsa, and it is our understanding that probably mid-to-late July, a litigation report will be provided to the Department of Justice at which time litigation would be ready to go forward.

Mr. YATES. Well, for the current year $520,000 has been appropriated to expedite cadastral surveying of the Arkansas River Bed. In 1991, you have asked for sufficient money that is necessary to continue the expedited pace, and the amount you asked for is only $125,000, which is only one-sixth of this current year's funding. Do you anticipate that five-sixths of the surveying will have been completed in 1990 and you won't need that amount of money?

Mr. BROWN. No, sir. Mr. Chairman, there appears to be a mistake in the figures there.

Ms. RICHARDSON. Mr. Chairman, we have a mistake in our budget. Where it says $125,000, that is the increase over what we had in the base last year which was $120,000 before the Congressional add-on, so actually we have $245,000. It is not $500,000, but it is $245,000.

Mr. YATES. That is half then.

Ms. RICHARDSON. Yes, sir.

Mr. YATES. All right. Do you need only half the amount this year?

Mr. HAYES. We think for the proper management of the survey cases along the Arkansas Riverbed that is an appropriate figure, yes, sir.

Mr. YATES. Well, was $520,000 too much? Are you going to have too much money this year?

Mr. HAYES. No, sir. For the situation that existed at that time, that was probably an appropriate amount.

Mr. YATES. In other words, enough surveying was done so that you only need $240,000 this year?

Mr. HAYES. We believe so, for fiscal year 1991.

Mr. YATES. Will you need any for fiscal year 1992?

Mr. HAYES. Yes, sir. We think we will probably utilize monies for the next couple of fiscal years.

Mr. YATES. All right. As I recall, Congress, in its legislation, required that the Arkansas Riverbed case be on an expedited basis.

Mr. HAYES. Correct.

Mr. YATES. Then why are you cutting the budget in half? The information that we have is that you need at least $500,000 to continue the cadastral surveying on an expedited basis.

Mr. HAYES. On the expedited basis, yes, sir. However, we are somewhat concerned about the surveys getting out ahead of the litigation.

ARKANSAS RIVERBED LITIGATION

Mr. YATES. How can they do that?

Mr. HAYES. When the surveyors go out, they place temporary monuments. Those very quickly become the permanent monuments and without the final adjudication of rightful ownership, we're con-

cerned that whoever may be on the wrong side of those monuments or that boundary line will continue to assert ownership and would result in continuing litigation over what is a temporary monument.

Mr. YATES. Well, you have a choice then. You have a choice either of getting out front with your monuments or of lagging behind in your lawsuit. You opt for lagging behind in the lawsuit. You may not be able to keep pace with your lawsuit as a result in the cutback.

Mr. HAYES. It's my understanding, sir, that the amount that we requested will allow us to keep pace with the lawsuit.

LOWER ELWA DAM

Mr. YATES. Okay. What about the lower Elwa dam removal case? Does the budget have enough attorney's fees for that case?

Mr. HAYES. We have provided monies for that, yes, sir.

Mr. YATES. I know you have provided monies for it. Is it an adequate amount?

Mr. HAYES. For this year, yes, sir.

Mr. YATES. Okay. How does it compare with last year's amount?

Mr. HAYES. I don't believe they got any last year, sir.

Mr. YATES. This is the first year then?

Mr. HAYES. Yes, sir.

SHOSHONE-BANNOCK WATER RIGHTS

Mr. YATES. Okay. What about your Shoshone-Bannock water rights?

Mr. HAYES. They, too, receive money under the attorney's fees.

Mr. YATES. Last year? Current year?

Mr. HAYES. I don't know, sir.

Mr. YATES. Well, do you not need money for Shoshone Bannock in 1991?

Mr. HAYES. Yes, sir.

Mr. YATES. Well, we put money into our budget for 1990 for the case. Is the same amount made available for 1991?

Mr. HAYES. Not as an earmark, no, sir.

Mr. YATES. You're going to have to do Shoshone Bannock. How many priority cases do you have? You talked about priority cases. How many priority cases do you have? How many cases do you have that you consider to be priority cases?

Mr. HAYES. We have about 25 to 30 applications for attorney's fees.

Mr. YATES. For so-called priority cases?

Mr. HAYES. Well, applications for attorney's fees. Each of those cases for the particular tribe or tribes that are affected are priorities in their view.

ATTORNEY'S FEES PRIORITIES

Mr. YATES. You use the phrase "priority case." You'll have enough for your "priority cases."

Mr. HAYES. Highest priority.

Mr. YATES. The higher priority. All right. Let's move to the higher priority cases. How many higher priority cases do you have?

Mr. HAYES. I don't have a number for you on that, sir.

Mr. YATES. Aren't each of those cases a high priority?

Mr. HAYES. Those that are in active litigation would probably——

Mr. YATES. Are there 30 cases?

Mr. HAYES. No. The 30 applications we received are in various stages of activity. Some are in active negotiation and litigation, and others are some time yet removed from that. It is those cases which are in active negotiation and/or litigation that receive the first consideration for funding out of this activity.

Mr. YATES. What is your opinion? Will there be a shortfall in attorney's fees in 1991?

Mr. HAYES. We will probably receive applications requesting more than is in that account.

Mr. YATES. For your 30 cases, what is the total amount of the applications that you received?

Mr. HAYES. Thus far? $2.7 million, sir.

Mr. YATES. Now is the amount of money you have just referred to—$2.7 million—for 1991?

Mr. HAYES. 1990.

Mr. YATES. That is for 1990.

Mr. HAYES. Yes, sir. We have not received any applications yet for fiscal year 1991.

Mr. YATES. You have received $2.7 million for 1990, and $2 million has been made available, so you'll have to make deals, won't you, with the lawyers unless that carries over? And you want only $1 million in 1991 in your budget request. Is that going to be adequate?

Mr. HAYES. Well——

Mr. YATES. You said that is going to be adequate for your high priority cases but you don't know how many high priority cases there are.

Mr. HAYES. No.

Mr. YATES. If you don't know how many high priority cases there are, how do you know it will be adequate?

Mr. HAYES. We think that we can fund those cases, maybe not at the level that the tribe asks for, but we could probably fund those cases that are in active negotiation and/or litigation.

Mr. YATES. What happens to the others?

Mr. HAYES. They will not be funded.

Mr. YATES. Well, what happens to the Indian clients then, if their lawyers aren't paid? Their rights aren't protected, are they? Are you in charge of trusteeship?

Mr. HAYES. I'm the deputy for trust, yes, sir.

Mr. YATES. Well, isn't that a retreat from your responsibility not to make attorney's fees available for your Indian people? I don't think their rights are going to be protected if you don't give them money for their lawyers.

Mr. HAYES. I don't have an answer for you, sir.

Mr. YATES. Would you put in the record what you think a reasonable sum would be to protect the litigation rights of the Indian people?

Mr. HAYES. Yes, sir.

[The information follows:]

LITIGATION SUPPORT NEEDS

Based on the Bureau's procees for review and evaluation of tribal requests for litigation support funding and prior year experience on the number and types of litigation support requests received for consideration, the Bureau estimates that $2.1 million is a reasonable amount for the protection of Indian rights. Of the many requests received from tribes, the major rights issues involve trespass, preservation of treaty rights such as hunting and fishing, and more recently taxation and tribal involvement in the Federal Energy Regulatory Commission's activities in dam relicensing. Tribal requests for finding for rights issues involving water rights litigation and tribal involvement in water negotiations are funded from the Water Litigation and Negotiation Program.

POLICY STATEMENT ON INDIAN WATER RIGHTS

Mr. YATES. Who prepared the policy statement that was published on March 12, 1990?

Mr. BROWN. Which policy statement, sir?

Mr. YATES. On Indian water rights.

Mr. BROWN. Are these the published guidelines for negotiation that you are referring to?

Mr. YATES. The criteria and procedures.

Mr. BROWN. Yes.

Mr. YATES. Who prepared that?

Mr. BROWN. I believe that was prepared out of the Secretary's office with Mr. Tim Glidden.

Mr. YATES. Who is Tim Glidden?

Mr. BROWN. Tim Glidden is special counsel to the Secretary and also chair of our water council.

Mr. YATES. Where does Tim Glidden come from? Did we get a biography for him?

Mr. BROWN. Tim Glidden is, as I said, special——

Mr. YATES. I know, but what is his background?

Mr. BROWN. He is an attorney. He has worked over here.

Mr. YATES. He worked over here with—is he on the Indian side of water rights? Or is he against the Indians?

Mr. BROWN. I consider him a strong advocate on behalf of Indian people, sir.

Mr. YATES. Then why don't the Indian people think that he came up with proper criteria and procedures for Indian water rights?

Mr. BROWN. I wasn't aware that——

Mr. YATES. Well, here's a letter I have from the Native American Rights Fund, dated April 26, signed by John Echohawk, director of the Native American Rights Fund. He says, "Enclosed is a copy of a letter dated April 17, 1990, sent on behalf of Native American Rights Fund tribal clients to Mr. Tim Glidden."

In essence, the letter rescinds the policy statement published by Interior on March 12. "The copy enclosed is premature, impractical, and should, therefore, be withdrawn. Two reasons justify the withdrawal of the policy statement. First, the policy statement was published without any prior consultation with concerned Indian tribes or other interested entities. This lack of prior consultation is inconsistent with the policy of tribal self-determination and with principles of administrative due process." It seems to make sense, if true.

"Second, the policy statement threatens to undermine productive negotiations because it sets criteria which unduly emphasize limits

on the Federal monetary contribution over other considerations that have warranted at least equal weight. This overly rigid approach presupposes a view of the dynamics of settlement negotiation which is unrealistic and, thus, will not assist in bringing negotiations to settlement." Now the Native American Rights Fund—is that a radical organization?

Mr. BROWN. I would not try to classify them.

Mr. YATES. It's a pretty good organization, isn't it, as far as you know?

Mr. BROWN. As far as I know, yes.

Mr. YATES. Okay. You look to them for some guidance, don't you? The letter further states, "We understand the subcommittee on Interior is now preparing written questions for Assistant Secretary Lujan. We strongly urge you to include in that list questions concerning the policy statement and, in particular, suggest that the subcommittee ask Mr. Lujan whether affected Indian tribes and other interested parties, including State and Federal officials, actually engaged in water settlement negotiations were consulted about the conflicts of that policy statement before it was adopted in published and final form on March 12, 1990." Were you consulted on it?

Mr. BROWN. Yes, sir. We were involved in that.

Mr. YATES. Did you agree with it?

Mr. BROWN. Yes, sir.

CONSULTATION ON WATER RIGHTS POLICY

Mr. YATES. Why did you agree with it? The Native American Rights Funds is opposed to it. Why do you agree with it?

Mr. BROWN. Well, the Department published the criteria and procedures as guidelines to provide a framework within the Department so that we could conduct those negotiations. We were trying to identify a framework which our water negotiating teams could use negotiating.

Now while we have those guidelines, we're going to have to address each one of those cases on an individual basis. Clearly, one of the concerns was that before we went into any negotiation and began to obligate Federal dollars there had to be some guidelines in place for our team members.

Mr. YATES. Well, how accurate is the assertion in this letter that the guidelines set criteria which unduly emphasized limits on the Federal monetary contribution over other considerations that warranted at least——

Mr. BROWN. I am not familiar with that. I would have to review that further, sir.

Mr. YATES. Was anybody consulted by Mr. Glidden?

Mr. BROWN. Yes. As I indicated, I had a representative working with Mr. Glidden as well.

Mr. YATES. And everybody agreed with Mr. Glidden? Nobody questioned him?

Mr. BROWN. Given the discussion between Mr. Glidden and the Administration, it was felt that those were the best guidelines that could be worked out that would allow us to get out there and begin the negotiation that needs to take place.

Mr. YATES. Do you know whether or not Indian tribes were consulted?

Mr. BROWN. No. It is my understanding Indian tribes, were not consulted. Again these were considered guidelines for our Federal negotiating teams to use.

WATER RIGHTS NEGOTIATIONS

Mr. YATES. I don't understand how that works. If you have guidelines for your negotiating teams, aren't they negotiating on behalf of tribes? No? On water rights? Why doesn't Mr. Glidden permit you to do what President Bush says the White House is going to do with the Congressional representative—no precondition. He is saying you have to operate within certain conditions, doesn't he?

Mr. BROWN. Yes.

Mr. YATES. Why doesn't he say, "No precondition."? Why do you need that money?

Mr. BROWN. To ensure that as our people go out and begin to negotiate—around those negotiating tables, there would be the tribe, there would be the other non-Indian communities involved in that negotiation, and then——

Mr. YATES. What this does, as I understand it, is your representative sits around the table with the Indian people and negotiates and says——

Mr. BROWN. With a variety of people.

Mr. YATES. With a variety of people and says, "Take it or leave it. We're bound by the limit."

Mr. BROWN. No. As I indicated, they will be used as guidelines, but then we will address each of the negotiations individually. We have to have some kind of operating framework to be guided by initially. When our people go in, they've got to have that.

Mr. Chairman, we've got 14 teams out there right now. We've got to have some consistency with the people that they go out and begin to negotiate—

Mr. YATES. Why do you need that consistency? Is each case the same as the other cases?

Mr. BROWN. No. Each case is different, but when we send out a negotiating team they've got to have some kind of parameters within which to operate. What this does is begin to set those parameters for our people as they begin to negotiate within the Department.

Mr. YATES. We'll put this letter and the guidelines into the record.

[The information follows:]

Native American Rights Fund
1506 Broadway • Boulder, Colorado 80302-6926 • (303) 447-8760 • Fax 443-7776

April 26, 1990

The Honorable Sidney R. Yates
Chairman, House Appropriations Committee
2234 Rayburn House
Office Building
Washington, DC 20515-1309

Re: Interior Policy Statement on Indian Water Rights Settlement Negotiations.

Dear Representative Yates:

Enclosed is a copy of a letter, dated April 17, 1990, sent on behalf of Native American Rights Fund tribal clients to Tim Glidden, Chairman of the Interior Working Group on Indian Water Settlements. In essence, the letter asserts that the Policy Statement published by Interior on March 12, 1990, (copy enclosed), is premature and impracticable, and should therefore be withdrawn.

Two reasons justify the withdrawal of the Policy Statement. First, the Policy Statement was published without any prior consultation with concerned Indian tribes, or other interested entities. This lack of prior consultation is inconsistent with the policy of tribal self-determination and with principles of administrative due process. Second, the Policy Statement threatens to undermine productive negotiations because it sets criteria which unduly emphasize limits on the federal monetary contribution over other considerations that warrant at least equal weight. This overly rigid approach presupposes a view of the dynamics of settlement negotiations which is unrealistic and thus will not assist in bringing these critical negotiations to a fruitful settlement.

We understand that the subcommittee on Interior appropriations is now preparing written questions for Assistant Secretary Manual Lujan. We strongly urge you to include in that

Native American Rights Fund

list questions concerning the Policy Statement. In particular, we would suggest that the subcommittee ask Mr. Lujan whether affected Indian tribes and other interested parties, including state and federal officials actually engaged in water settlement negotiations, were consulted about the content of the Policy Statement before it was adopted and published in final form on March 12, 1990. If the answer is no, Mr. Lujan should be asked to state why no prior consultation was obtained from these entities. We would also suggest that Mr. Lujan be asked to identify those persons or entities who were consulted before publication of the Policy Statement. Finally, Mr. Lujan should be asked to summarize any comments which have been received concerning the Policy Statement and to indicate how Interior proposes to respond to such comments.

Thank you for your time and consideration in this matter. If Native American Rights Fund can be of any assistance to you in this matter, please do not hesitate to call on us.

Sincerely yours,

John E. Echohawk, Director
Native American Rights Fund

JEE/ncr
enclosures

Native American Rights Fund
1506 Broadway • Boulder, Colorado 80302-6926 • (303) 447-8760 • Fax 443-7776

April 17, 1990

Mr. Tim Glidden, Chairman
Working Group on Indian Water Settlements
Department of the Interior
MS 6217-MIB
18th and C Streets, NW
Washington, DC 20240

Re: Department of the Interior Policy Statement - Criteria and Procedures for Indian Water Rights Settlements, Published March 12, 1990.

Dear Tim:

This letter represents the views of our clients, the Nez Perce Tribe, the Northern Cheyenne Tribe, the Klamath Tribe, and the Chippewa Cree Tribe of the Rocky Boy's Reservation, on the above-referenced policy statement of the Department of the Interior. Each of our tribal clients is or may be involved in water rights settlement negotiations. For the reasons set forth herein, it is our view that the Department erred in adopting and publishing the policy statement before consulting with Indian tribes whose water rights will be affected by implementation of the policy. The result of this failure to consult is a policy that is unrealistic, unworkable, and inconsistent with the United States' trust responsibilities.

As an initial matter, you are advised that the Department's act of adopting and publishing a policy statement without tribal consultation is viewed by our tribal clients as an intolerable regression to the discarded policy of paternalism. It suggests an appalling lack of regard for the right of Indian tribes under the modern tribal self-determination policy to have input into federal decisions that profoundly affect their

destinies as viable tribal communities. The paternalistic implications of this oversight can only serve to undermine federal-tribal cooperation in negotiating settlements of tribal water rights. We remind you that the tribal water rights at stake are the lifeblood of the affected tribes. The ability to achieve economic self-sufficiency is directly dependent upon the nature and scope of tribal water rights. Our tribal clients emphatically denounce a process that fails to afford affected tribes the opportunity to comment before the adoption of a departmental policy designed to fix the rules of Indian water settlement negotiations.

Moreover, the Department's failure to consult with affected tribes has resulted in a policy statement that is misfocused, lacks balance, and generally falls far short of realistically reflecting the dynamics of water settlement negotiations. The overriding focus of the policy is the establishment of criteria which places a ceiling on federal monetary contributions to settlements. This approach ignores the fact that, in any given negotiation setting, there will be a myriad of factors, many unique to that setting, that can and should come into play. The amount of any federal monetary contribution is only one such factor and should not be presented as the overriding consideration in any general policy which sets criteria for settlement negotiations. Further, any attempt to identify, across the board, specific considerations relevant to determining the federal monetary contribution is patently unrealistic in view of the uniqueness of each negotiation setting. More importantly, it is detrimental to fruitful negotiations because it places undue emphasis on the named factors and will operate to discourage federal negotiators from considering the value of other unnamed benefits and opportunities afforded in a given settlement setting.

In short, we think the policy statement at best is simply unworkable as a negotiation tool, and at worst will subvert ongoing and future water settlement negotiations. Indeed, no previously negotiated water settlement agreement would have been achieved if the criteria set forth in the policy statement were followed. In view of the ultimate policy objective -- to facilitate a fair settlement of Indian water rights, it is plain that this policy statement is fundamentally flawed. The Department would be well advised to withdraw the statement and to take steps to consult with tribes in order to formulate a policy that reflects a realistic and balanced view of the dynamics of successful water settlement negotiations. The policy must,

consistent with the need for flexibility in negotiations, seek to identify and give proper weight and consideration to all relevant factors.

For these reasons, our tribal clients strongly urge the Department to withdraw immediately the published policy statement and to initiate consultation with affected tribes. We are advised that many other Indian tribes support our clients' view that the policy statement should be withdrawn without delay. We expect that you will be hearing from them as well.

Sincerely yours,

John E. Echohawk, Director
Native American Rights Fund

Federal Register / Vol. 55, No. 48 / Monday, March 12, 1990 / Notices 9223

DEPARTMENT OF THE INTERIOR

Working Group in Indian Water Settlements; Criteria and Procedures for the Participation of the Federal Government in Negotiations for the Settlement of Indian Water Rights Claims

AGENCY: Department of the Interior.

ACTION: Policy Statement.

SUMMARY: It is the policy of this Administration, as set forth by President Bush on June 21, 1989, in his statement signing into law H.R. 932, the 1989 Puyallup Tribe of Indians Settlement Act, that disputes regarding Indian water rights should be resolved through negotiated settlements rather than litigation. Accordingly, the Department of the Interior adopts the following criteria and procedures to establish the basis for negotiation and settlement of claims concerning Indian water resources.

EFFECTIVE DATE: March 12, 1990.

ADDRESSES: Comments may be addressed to: Mr. Tim Glidden, Department of the Interior, MS 6217-MIB, 18th and C Streets, NW., Washington, DC 20240.

FOR FURTHER INFORMATION CONTACT: Mr. Tim Glidden, Chairman, Working Group on Indian, Water Settlements, 202-343-7351.

SUPPLEMENTARY INFORMATION: These criteria and procedures were developed by the Working Group on Indian Water Settlements from the Department of the Interior.

These criteria and procedures supersede all prior Departmental policy regarding Indian water settlement negotiations. The criteria provide a framework for negotiating settlements so that (1) The United States will be able to participate in water settlements consistent with the Federal Government's responsibilities as trustee to Indians; (2) Indians receive equivalent benefits for rights which they, and the United States as trustee, may release as part of a settlement; (3) Indians obtain the ability as part of such settlement to realize value from confirmed water rights resulting from settlement; and (4) The settlement contains appropriate cost-sharing by all parties benefiting from the settlement.

Dated: March 6, 1990.

Timonthy Glidden,

Chairman, Working Group on Indian Water Settlements.

Criteria and Procedures for Indian Water Rights Settlements

Preamble

Indian water rights are vested property rights for which the United States has a trust responsibility, with the United States holding legal title to such water in trust for the benefit of the Indians.

It is the policy of this Administration, as set forth by President Bush on June 21, 1989, in his statement signing into law H.R. 932, the 1989 Puyallup Tribe of Indians Settlement Act, that disputes regarding Indian water rights should be resolved through negotiated settlements rather than litigation.

Accordingly, the Department of the Interior adopts the following criteria and procedures to establish the basis for negotiation and settlements of claims concerning Indian water resources. These criteria and procedures supersede all prior Departmental policy regarding Indian water settlement negotiations. The criteria provide a framework for negotiating settlements so that (1) The United States will be able to participate in water settlements consistent with the Federal Government's responsibilities as trustee to Indians; (2) Indians receive equivalent benefits for rights which they, and the United States as trustee, may release as part of a settlement; (3) Indians obtain the ability as part of each settlement to realize value from confirmed water rights resulting from settlement; and (4) The settlement contains appropriate cost-sharing by all parties benefiting from the settlement.

Criteria

1. These criteria are applicable to all negotiations involving Indian water rights claims settlements in which the Federal Government participates. Claims to be settled through negotiation may include, but are not limited to, claims:

(a) By tribes and U.S. Government to quantify reserved Indian water rights.

(b) By tribes against the U.S. Government.

(c) By tribes and the U.S. Government against third parties.

2. The Department of the Interior will support legislation authorizing those agreements to which is is a signatory party.

3. Settlements should be completed in such a way that all outstanding water claims are resolved and finality is achieved.

4. The total cost of a settlement to all parties should not exceed the value of the existing claims as calculated by the Federal Government.

5. Federal contributions to a settlement should not exceed the sum of the following two elements:

a. First, calculable legal exposure—litigation cost and judgment obligations if the case is lost; Federal and non-Federal exposure should be calculated on a present value basis taking into account the size of the claim, value of the water, timing of the award, likelihood of loss.

b. Second, additional costs related to Federal trust or programmatic responsibilities (assuming the U.S. obligation as trustee can be compared to existing precedence.)—Federal contributions relating to programmatic responsibilities should be justified as to why such contributions cannot be funded through the normal budget process.

6. Settlements should include non-Federal cost-sharing proportionate to the benefits received by the non-Federal parties.

7. Settlements should be structured to promote economic efficiency on reservations and tribal self-sufficiency.

8. Operating capabilities and various resources of the Federal and non-Federal parties to the claims negotiations should be considered in structuring a settlement (e.g. operating criteria and water conservation in Federal and non-Federal projects).

9. If Federal cash contributions are part of a settlement and once such contributions are certified as deposited in the appropriate tribal treasury, the U.S. shall not bear any obligation or liability regarding the investment, management, or use of such funds.

10. Federal participation in Indian water rights negotiations should be conducive to long-term harmony and cooperation among all interested parties through respect for the sovereignty of the States and tribes in their respective jurisdictions.

11. Settlements should generally not include:

a. Local contributions derived from issuing bonds backed by or guaranteed by the Federal Government.

b. Crediting to the non-Federal share normal project revenues that would be received in absence of a cost share agreement.

c. Crediting non-Federal operation, maintenance, and rehabilitation (OM&R) payments to non-Federal construction cost obligations.

d. Imposition by the Federal Government of fees or charges requiring

authorization in order to finance the non-Federal share.

e. Federal subsidy of OM&R costs of Indian and non-Indian parties.

f. U.S. participation in an economically unjustified irrigation investment; however investments for delivery of water for households, gardens, or domestic livestock may be exempted from this criterion.

g. Per-Capita distribution of trust funds.

h. Crediting to the Federal share existing annual program funding to tribes.

i. Penalties for failure to meet a construction schedule. Interest should not accrue unless the settlement does not get budgeted for as specified in item 15 below.

j. Exemptions from Reclamation law.

12. All tangible and intangible costs to the Federal Government and to non-Federal parties, including the forgiveness of non-Federal reimbursement requirements to the Federal Government and items contributed per item 8 above, should be included in calculating their respective contributions to the settlement.

13. All financial calculations shall use a discount rate equivalent to the current water resources planning discount rate as published annually in the **Federal Register**.

14. All contractual and statutory responsibilities of the Secretary that affect or could be affected by a specific negotiation will be reviewed.

15. Settlement agreements should include the following standard language: Federal financial contributions to a settlement will normally be budgeted for, subject to the availability of funds, by October 1 of the year following the year of enactment of the authorizing legislation (e.g., for a settlement enacted into law in August 1990, funding to implement it would normally be contained in the FY 1992 Budget request and, if appropriated, be available for obligation on October 1, 1991).

16. Settlements requiring the payment of a substantial Federal contribution should include standard language providing for the costs to be spread-out over more than one year.

Procedures

Phase I—Fact Finding

1. The Department of the Interior (Department) will consider initiation of formal claims settlement negotiations when the Indian tribe and non-Federal parties involved have formally requested negotiations of the Secretary of the Interior (Secretary).

2. The Department will consult with the Department of Justice (Justice) concerning the legal considerations in forming a negotiating team.

If Department decides to establish a team, the Office of Management and Budget (OMB) and Justice shall be notified, in writing. Justice should generally be a member of any negotiating team.

a. The Department's notification should include the rationale for potential negotiations, i.e., pending litigation and other background information about the claim already available, makeup of the team (reason that Justice is not a member of a team, if applicable), and non-Federal participants in the settlement process.

b. The date of the notification marks the beginning of the fact-finding period.

3. Not later than nine months after notification, a fact-finding report outlining the current status of litigation and other pertinent matters will be submitted by the team to the Department, OMB, and Justice. The fact-finding report should contain information that profiles the claim and potential negotiations. The report should include:

a. A listing of all involved parties and their positions.

b. The legal-history, if any, of the claim, including such relevant matters as prior or potential litigation or court decisions, or rulings by the Indian Claims Commission.

c. A summary and evaluation of the claims asserted for the Indians.

d. Relevant information on the non-Federal parties and their positions to the claim.

e. A geographical description of the reservation and drainage basin involved, including maps and diagrams.

f. A review and analysis of pertinent existing contracts, statutes, regulations, and legal precedent that may have an impact on the settlement.

g. A description and analysis of the history of the United States' trust activities on the Indian reservation.

4. During Phases I, II, and III, the Government (through the negotiating team or otherwise) will not concede or make representatives on likely U.S. positions or considerations.

Phase II—Assessment and Recommendations

1. As soon as possible, the negotiating team, in concert with Justice, will conduct and present to the Department an assessment of the positions of all parties, and a recommended negotiating position. The purpose of the assessment is to (1) measure all costs presuming no settlement, and (2) measure complete settlement costs to all of the parties. The assessment should include:

a. Costs presuming no settlement—Estimates for quantifying costs associated with all pending or potential litigation in question, including claims against the United States and claims against other non-Federal parties together with an assessment of the risk to all parties from any aspect of the claim and all pending litigation without a settlement. A best/worst/most likely probability analysis of the litigation outcome should be developed.

b. An analysis of the value of the water claim for the Indians.

c. Costs Presuming Settlement—quantification of alternative settlement costs to all parties. This includes an analysis showing how contributions, other than those strictly associated with litigation, could lead to settlement (e.g., facilities to use water, alternative uses of water, and alternative financial considerations).

2. All analysis in the assessment should be presented in present value terms using the planning rate used for evaluating Federal water resource projects.

Phase III—Briefings and Negotiating Position

1. The Working Group on Indian Water Settlements will present to the Secretary a recommended negotiating position. It should contain:

a. The recommended negotiating position and contribution by the Federal Government.

b. A strategy for funding the Federal contribution to the settlement.

c. Any legal or financial views of Justice or OMB.

d. Tentative position on major issues expected to arise.

2. Following the Secretary's approval of the Government's negotiating position, Justice and OMB will be notified before negotiations commence.

Phase IV—Negotiations Towards Settlement

1. OMB and Justice will be updated periodically on the status of negotiations.

2. If the proposed cost to the U.S. of settlement increases beyond the amount decided in Phase III, if the negotiations are going to exceed the estimated time (or break down), or if Interior proposes to make signficiant changes in the Government negotiating position or in the U.S. contribution to the settlement, the original recommendation and negotiating position will be revised using the procedures identified above.

3. Briefings may be given to the Congressional delegations and the Committees consistent with the Government's negotiating position.

[FR Doc. 90-5532 Filed 3-9-90; 8:45 am]

BILLING CODE 4310-RF-M

INTERSTATE COMMERCE COMMISSION

[Finance Docket No. 31600]

Paducah & Louisville Railway, Inc.—Trackage Rights Exemption—Pyro Equipment Co.; Exemption

Pyro Equipment Company has agreed to grant overhead and local trackage rights to Paducah & Louisville Railway, Inc., between milepost 62.28 near Blackford, KY and milepost 97.25 near Princeton, KY, a distance of 34.99 miles. The trackage rights will be effective on or about March 1, 1990.

This notice is filed under 49 CFR 1180.2(d)(7). Petitions to revoke the exemption under 49 U.S.C. 10505(d) may be filed at any time. The filing of a petition to revoke will not stay the transaction. Pleadings must be filed with the Commission and served on: Jill M. Hawken, Weiner, McCaffrey, Brodsky, Kaplan & Levin, P.C., 1350 New York Avenue, NW., Suite 800, Washington, DC 20005-4797 and Catherine Behrins, Pyro Equipment Company, P.O. Box 367, Sturgis, KY 42459.

As a condition to the use of this exemption, any employees affected by the trackage rights will be protected pursuant to *Norfolk and Western Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Ry., Inc.—Lease and Operate*, 360 I.C.C. 653 (1098).

Dated: February 28, 1990.

By the Commission, Jane F. Mackall, Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 90-5310 Filed 3-9-90; 8:45 am]

BILLING CODE 7035-01-M

[Docket No. AB-33 (Sub-No. 58)]

Union Pacific Railroad Company—Abandonment in Fremont and Teton Counties, ID; Findings

The Commission has found that the public convenience and necessity permit Union Pacific Railroad Company to abandon its approximately 30.80-mile line of railroad between milepost 0.0 at Ashton and milepost 30.80 near Tetonia, ID.

A certificate will be issued authorizing abandonment unless within 15 days after this publication the Commission also finds that: (1) A financially responsible person has offered financial assistance (through subsidy or purchase) to enable the rail service to be continued; and (2) it is likely that the assistance would fully compensate the railroad.

Any financial assistance offer must be filed with the Commission and served on the applicant no later than March 22, 1990. The following notation must be typed in bold face on the lower left-hand corner of the envelope: "Rail Section, AB-OFA." Any offer previously made must be remade within this 10-day period.

Information and procedures regarding financial assistance for continued rail service are contained in 49 U.S.C. 10905 and 49 CFRF 1152.27.

Decided: February 22, 1990.

By the Commission, Chairman Gradison, Vice Chairman Phillips, Commissioners Simmons, Lamboley, and Emmett. Vice Chairman Phillips commented with a separate expression. Commissioners Simmons and Lamboley dissented with separate expressions.

Noreta R. McGee,

Secretary.

[FR Doc. 90-5569 Filed 3-9-90; 8:45 am]

BILLING CODE 7035-01-M

[Finance Docket No. 31562]

Union Pacific Railroad Co. and Missouri Pacific Railroad Co.—Trackage Rights Over Lines of Chicago and North Western Transportation Co. Between Fremont, NE/Council Bluffs, IA, and Chicago, IL

AGENCY: Interstate Commerce Commission.

ACTION: Notice of Decision No. 3.

SUMMARY: The Commission is accepting for consideration the application filed February 7, 1990, by Union Pacific Railroad Company (UPRR), Missouri Pacific Railroad Company (MPRR), and Chicago and North Western Transportation Company (CNW) for UPRR and MPRR, collectively referred to as UP, to acquire trackage rights over the lines of CNW between Fremont, NE/Council Bluffs, IA, and Chicago, IL. The applicants also seek a declaratory order that: (1) UP's corporate parent, Union Pacific Corporation, and its affiliates will not gain control of CNW as a result of exercise of the trackage rights and certain additional contingent rights for which they contracted, in connection with the Blackstone-CNW transaction;[1] and (2) the additional contingent rights do not require prior Commission approval or exemption before they may become effective.

DATES: Written comments must be filed with the Interstate Commerce Commission no later than April 9, 1990. Comment from the Secretary of Transportation and the Attorney General of the United States must be filed by April 24, 1990. The Commission will issue a service list shortly thereafter. Comments must be served on all parties of record within 10 days of the Commission's issuance of the service list. Responsive and inconsistent applications must be filed no later than May 9, 1990.

ADDRESSES: An original and 10 copies of all documents must refer to Finance Docket No. 31562 and be sent to: Office of the Secretary, Case Control Branch, Attn: Finance Docket No. 31562, Interstate Commerce Commission, Washington, DC 20423.

One copy of all documents filed must be sent concurrently to:

Docket Clerk, Office of Chief Counsel, Federal Railroad Administration, Room 5101, 400 Seventh Street, SW., Washington, DC 20590.

Attorney General of the United States, Washington, DC 20530.

In addition one copy of all documents must be sent to each of applicants' representatives:

James P. Daley, Chicago and North Western Transportation Company, One North Western Center, Chicago, IL 60606.

James V. Dolan, Union Pacific Railroad Company, Missouri Pacific Railroad Company, 1416 Dodge Street, Omaha, NE 68179.

Arvid E. Roach II, Covington & Burling, P.O. Box 7566, 1201 Pennsylvania Avenue, NW., Washington, DC 20044.

FOR FURTHER INFORMATION CONTACT: Joseph H. Dettmar or Beryl Gordon, (202) 275-7245.

or

Julia Farr, (202) 275-1713.

[TDD for hearing impaired: (202) 275-1721].

SUPPLEMENTARY INFORMATION: The application, exhibits, and one copy of materials filed with the SEC in connection with the transactions at issue in *Blackstone, supra*, are available for inspection in the Public Docket Room at the offices of the Interstate Commerce Commission in Washington, DC.

[1] *Blackstone Cap. Partners—Cont. Exempt.—CNW Corp. et al.*, 5 I.C.C.2d 1015 (1989) (*Blackstone*).

Mr. YATES. I don't how you're going to have a calculable legal exposure of the litigation costs, the judgment obligations, the cases lost, Federal and non-Federal exposure to be calculated on a present value basis taking into account the size of the claim, the value of the water, timing of the award, and likelihood of loss. It's like an additional cost related to Federal trust or programmatic responsibility.

MAKAH AGENCY OFFICE

Mr. YATES. Now let me ask you another question that I've received with respect to the Makah Tribe. The conference report on the fiscal year 1990—we've got a group of votes coming up, so we've got to close shop—asked you to open an agency office on the Makah Reservation. Can you tell us why that hasn't been done?

Mr. BROWN. Yes. Let me indicate to you that that is in the process of being done. It hasn't been completed yet. The area director is in the process of establishing the organizational structure and will be starting the process to fill all of the positions. That has not been completed at this time. There was some concern about finding dollars to establish that office.

Mr. YATES. How much would it cost?

Mr. MILLS. For a full year, I think we're looking at approximately $244,000.

Mr. YATES. How do you handle their affairs now? If it's not on the Makah Reservation, where are they handled from?

Mr. MILLS. They're handled out of the Olympic Peninsula agency, but we do have staff out at Makah. I think there is a forester or two and a roads maintenance person stationed out there now.

Mr. YATES. So out of the $240,000, you are now being charged part of that, aren't you, as a result of having those people there?

Mr. MILLS. Right. That is correct.

Mr. YATES. How much of that are you paying?

Mr. MILLS. I'm not sure what that amount would be. I imagine it's in the neighborhood of probably $80,000 or so.

Mr. YATES. Well, shouldn't there be an office on the Makah Reservation?

Mr. MILLS. I understand the Makah Tribe is isolated, so there probably should be some type of representation out there. A lot of tribes are moving in the other direction to get the Bureau of Indian Affairs representation out of the picture and closer to——

Mr. YATES. Well, that's understandable. I don't know why they want to, but why don't you——[Laughter.]

Mr. MILLS. We're in the process of trying to accomplish that, Mr. Chairman.

DOLORES IRRIGATION PROJECT

Mr. YATES. Okay. Let's talk about the Ute Mountain Ute Tribe. They want to develop a farm system. You've made available $100,000 to the tribe and the remainder of $365,000 for the siphon and valve for fire suppression during the summer of 1988. Since fire funds were repaid, why shouldn't you make the rest of the funds available to the tribe?

Mr. BROWN. Mr. Chairman, are we discussing here the Dolores irrigation project?

Mr. YATES. Ute Mountain is requesting to develop a farm system. I suppose you are.

Mr. BROWN. Yes. That project is currently ranked number two on the Bureau's irrigation priority list. Let me ask Mr. Pat Hayes to talk about what we're doing specifically in regard to that.

Mr. YATES. All right.

Mr. HAYES. Mr. Chairman, we have, as you have indicated, provided monies in the past to the Ute Mountain Tribe for their efforts in bringing to reality this irrigation project. That has been at the level of $100,000. The $365,000 that you referred to was borrowed for fire suppression. It has been repaid.

Mr. YATES. It has been repaid to you?

Mr. HAYES. Yes, sir.

Mr. YATES. What do you propose to do?

Mr. HAYES. We're going to give that to the tribe.

Mr. YATES. Okay. Do you know when you'll do that?

Mr. HAYES. We will need to reprogram, sir.

Mr. YATES. All right. When do you want to make the reprogramming request?

Mr. HAYES. Hopefully soon, sir.

TRANSFER OF DAM SAFETY TO RECLAMATION

Mr. YATES. All right. Now you proposed to transfer the safety of dams from BIA to the Bureau of Reclamation.

Mr. BROWN. Yes, sir. That proposal is in the 1991 budget.

Mr. YATES. All right. Would you make that transfer before fiscal year 1991?

Mr. BROWN. No. We are proposing that it be done in 1991.

Mr. YATES. But you are taking all of the steps necessary in 1990 to make the transfer in 1991?

Mr. BROWN. Yes. We would, through the development of a memorandum of understanding between the Bureau of Indian Affairs and the Bureau of Reclamation.

Mr. YATES. The Committee doesn't think that transfer should be made. We have told the Secretary that when he testified. We are thinking of putting a provision in the current supplemental appropriations bill that would prohibit you from making that transfer. Would that help you in not making the transfer?

Mr. BROWN. If that was in the language, yes, that would.

Mr. YATES. If we don't have to put it in the bill, we don't want to put it in the bill. You would rather we put it in the bill?

Mr. BROWN. We are proposing to move ahead with the transfer at this point, yes, sir.

Mr. YATES. Okay. All right. We have other questions here, Mr. Secretary. Obviously, we have to go vote, and we'll have several votes, and then we have a caucus at 3:00.

I know that you'd rather we stayed and participated in these questions, but we have a number of questions for you to answer for the record.

If there is any reason to call you back, we'll call you back. We do want to know the figures we've requested, and we'll try to be helpful.

Thank you very much.

[Questions and answers for the record follow:]

Additional Committee Questions

Historic Preservation and Archaeological Resources Protection

Question: What actions has the BIA taken to comply with its responsibilities under section 110 of the National Historical Preservation Act (16 U.S.C. § 470h-2) to identify and protect properties under its ownership or control that may be eligible for listing on the National Register of Historic Places?

Answer: In a case entitled "Roger Attakai, et al. v. United States, et al.," heard before the United States District Court for the District of Arizona on February 28, 1990, the presiding judge supported the BIA's contention that it has no obligation under section 110 of the National Historic Preservation Act to inventory historic properties on Indian (trust) lands, noting: " ...while the government holds legal title, it cannot treat the land as its own or use it for government purposes without just compensation."

We acknowledge our obligation to inventory and evaluate historic properties on the small amount of U.S. Government land the BIA owns or administers, and we have a draft outline for a plan to do so. The plan itself should be in final form within six months.

Question: Regardless of whether the BIA's section 110 responsibilities apply to all Indian trust lands or are limited to federal lands administered by the BIA, the preparation of inventories of National Register eligible properties on Indian lands, in consultation with tribal governments, would be helpful to tribal governments in planning development activities on Indian lands. What actions has the BIA taken to help Indian tribes locate and inventory National Register eligible properties?

Answer: We agree that inventories of National Register eligible properties on Indian lands would be helpful to tribal government planning. Most BIA Area Offices do maintain inventories, or contribute to those maintained by the states they cover, of such properties identified in the course of meeting requirements under section 106 of the same National Historic Preservation Act. The main purpose of historic preservation activity within the BIA, however, is to enable us to meet statutory obligations we have as a federal agency. Because these obligations are substantial, we rarely have the resources to provide services outside of our mandates.

Question: In light of the importance of tribal cultural practices for present day Indians and Alaska Natives, particularly in terms of their self-esteem and the self-defined sense of identity, does the BIA's program for compliance with the National Historic Preservation Act emphasize the continuing importance of historically significant properties for the living cultures of present day Indian and Native communities?

Answer: Our program for compliance with the National Historic Preservation Act is strictly in keeping with the implementing regulations and with the Secretary of the Interior's Standards and Guidelines. Within that context, it has been possible to hold, and foster, the concept that traditional cultural sites can be viewed as meeting the eligibility criteria for the National Register. We also take the significance of such sites into account in our administration of the Archeological Resources Protection Act.

Question: To what extent has the BIA worked cooperatively with the National Park Service to help Indian and Native people maintain access to and use of culturally important and/or religiously significant properties under the administration of the NPS?

Answer: The issue of Indian access to, and use of, culturally and/or religiously significant properties under NPS administration has officially reached the BIA on only one occasion. This concerned proposed regulations for such use within Big Cypress National Preserve in Florida. We prevailed upon NPS to conduct appropriate studies, including ethnographic studies and revised the regulations accordingly. Other contact with NPS in regard to this general topic has been informal.

Question: What is the extent of the unmet need for reliable ethnographic information regarding properties under the administration of the NPS and other federal agencies that are culturally important and/or religiously significant for Indian and Native people?

Answer: We do not know the extent of unmet need for reliable ethnographic information on properties under the administration of NPS or other federal agencies that are culturally and/or religiously significant for Indian and Native people. The BIA has occasionally collected this type of information in connection with an individual undertaking, but has not appraised the overall need for such on lands for which it has no administrative responsibility.

Question: A contract pursuant to the Indian Self-Determination Act has recently been executed between the Navajo Nation and the BIA through which the Navajo Nation has contracted the entire BIA cultural resources program within the Navajo Reservation. How long did the negotiation of this contract take, and why did it take so long?

Answer: It took three years from the original submission of the Navajo Nation's application to contract archeological and historical preservation functions of the BIA's Navajo Area Office pursuant to the Indian Self-Determination Act to the conclusion of contract negotiations. As this was the first time a tribe had sought a contract so closely related to a statutory responsibility imposed upon the Secretary, numerous legal and technical questions were raised, and revisions to the application made, during that time.

What ultimately emerged was a contract that was far more clear cut and complete than that originally proposed. The initial application called only for the assumption of selected functions, leaving several program elements and related program control in the BIA. The final contract gave the entire program, and substantially more funding and control, to the Tribe.

Question: In light of the isolated nature of many Indian reservations, are there extensive problems in enforcing the prohibitions contained in the Archeological Resources Protection Act? In other words, is looting of archeological sites much of a problem in Indian country?

Answer: A 1988 Investigative Report by the Subcommittee on General Oversight and Investigations of the House Committee on Interior and Insular Affairs entitled, "The Destruction of America's Archeological Heritage: Looting and Vandalism of Indian Archeological Sites in the Four Corners States of the Southwest," recognized that the looting of archeological sites on Indian lands in the region had reached a crisis level. We recognize that there is a problem on some Indian lands.

We have been providing training to BIA and tribal law enforcement personnel in the enforcement of the Act. We have also begun, in compliance with the 1988 amendments to the Act, to intensify our public awareness efforts.

Self-Governance Projects

Question: For the past several years, the Committee has added funds for the Tribal Self-Governance Project. The 1990 budget zeroes out these funds ($1.2 million), but adds $9.2 million for the consolidated tribal government program (CTGP), under which different programs are joined and administered as a consolidated unit. How was the amount for the CTGP program determined, and how were the amounts shown by area derived?

Answer: The initial Consolidated Tribal Government Program, known as the CTGP Prototype Project Plan, was established in FY 1982. The initiative has enabled tribes to conjoin programs that have similar objectives or benefits, and to administer them as a consolidated unit. Previously these CTGP projects were achieved through reprogramming after the funds were distributed. Since the CTGP Project has shown the viability of this program, the bureau has established a new line item within the Indian Priority System to allow the tribes to transfer funds into CTGP during the planning process. The $9.2 million included in the budget request is a result of the priority setting accomplished by tribes in their planning for the FY 1991 budget.

Question: Who will participate in the program? How will they be selected?

Answer: For FY 1991, tribes within the Aberdeen, Anadarko, Muskogee, Phoenix, and Albuquerque Area Offices have elected to participate in CTGP. These tribes elected to utilize the CTGP funding approach as a means of carrying out program service deliveries while constraining operating costs such as administrative personnel, programmatic office space, equipment, supplies and materials.

Question: How will this program differ from regular BIA program funding?

Answer: Tribes electing to utilize the CTGP funding approach are able to consolidate individual budgetary line items reflecting decisions on programs with similar service goals and/or programs where the service goals of one are inherently tied to another, e.g., alcohol and drug abuse programs with juvenile detention, tribal courts, education programs, etc. The tribe combines the direct program budget from each of these activities and functions into a common budgetary pool from which a total program may be designed. By doing this, the realization of tribal goals are not constrained by the need to reprogram or reallocate budgetary resources. Programmatic and resource allocation decisions may be made at the tribal/contractor level rather than being processed through the Bureau.

Question: Which programs will the tribes be able to include?

Answer: Tribes may include any program the Secretary is authorized to operate at the tribe/agency level for the benefit of Indians where there is a thread of commonality between the programs to be consolidated.

Question: What specific results or benefits have there been since the CTGP prototype began in 1982?

Answer: Tribes have found it cost beneficial to combine specific programs that heretofore had separate administrative components and to tailor programmatic operations and functions to better meet on-reservation service delivery requirements. By combining common service administrative components, more financial resources are available to assist individual Indian clients. By using a single budget activity, tribes are able to quickly modify programmatic and financial decisions within the CTGP funds at the local level.

Question: How many tribes have participated?

Answer: Since FY 1982, about 6 tribes have participated in the CTGP Prototype each year.

Question: As noted, the funds for the Self-Governance program have been deleted. How are the funds being used in 1990?

Answer: The 1990 Self Governance Demonstration planning grant funds will be distributed as follows in accordance with the March 1, 1990 Federal Register Program Announcement: Six of the original (1988) 10 Tribes which have applied for third year funds to complete the negotiation phase of their planning grants will be provided an additional amount of $20,000. In addition, one of the first 10 tribes, Mescalero Apache, has just been awarded a second year planning grant in the amount of $100,000.

Six grantees who started planning efforts in 1989 have applied for second year funding. The maximum amount available to tribes in this group was determined to be $50,000 and the amount expected to be distributed is $275,530.

Nine out of 26 grant applications received as a result of the Bureau's March 1, announcement were approved for 1990 funding on the basis of merit as outlined in the program announcement. The amount to be provided for this group is $444,018.

The total amount available from the FY 1990 appropriation for this program is $1,184,000, post sequestration. The sum of the above distributions is $939,548, leaving a balance of $244,452. Some portion of the funds may be used to provide technical assistance for the development of planning grants to tribes from the eastern part of the nation to achieve geographic representation as provided by Title III of the Act. Funds may also be used to support the Tribal Self-Governance Demonstration Project Task Group appointed by the Assistant Secretary-Indian Affairs to "act in concert with the Department of the Interior and all Bureau offices" as well as for the negotiation team designated by the Secretary of the Interior.

Question: Are there any first-year grantees who may need follow-on grants in 1991?

Answer: We do not expect to award additional planning funds in FY 1991 inasmuch as the objectives are scheduled to be completed in FY 1990. Planning grants have been awarded for FY 1988, 1989, and 1990.

Question: How many requests for grants have you received in 1990, and how many will you be able to fund?

Answer: There have been 26 Tribes who have applied for Self-Governance Demonstration Planning Grants in FY 1990. It was determined that only 9 satisfactorily met the criteria set forth in the Federal Register program announcement of March 1, 1990.

Indian Priority System (IPS)

Question: Congressman Dorgan held field hearings on the IPS last May in North Dakota. He found that the IPS has institutionalized inequitable funding allocations among tribes, when tribal populations and per capita funding are considered, i.e., that the IPS formula discriminates against tribes with relatively large populations and corresponding small land bases; and that BIA makes arbitrary and unilateral decisions on IPS allocations without advice of tribal councils and even in direct contravention to expressed tribal priorities.

Would you agree that the IPS does not provide for equitable funding among tribes when per capita funding is considered? If so, how should this be addressed?

Answer: If only population is considered, there are disparities in IPS funding among tribes. It should be recognized, however, that natural resource programs, such as forestry and wildlife and parks, and land-related programs, such as real estate appraisals and agriculture, are also included within the IPS. The requirements for these programs have little to do with population.

The Bureau does not believe that population alone should be the basis for the distribution of funds.

Question: Is BIA currently studying the equity of BIA funding allocations? If so, what is the status of this effort?

Answer: The BIA contracted with Koh Systems, Inc. for the development of alternative models for distribution of funds. The contractor has completed the work, which includes a review of all BIA funds not just those contained in the Indian Priority system. The contractor proposed a formula based on trust and allotted land, population, and the presence of a tribal government. Comparing current BIA fund distribution practices with the contractor's model indicated that our current system is within 10 percent of the model. Rather than going through the chaos that would result if we reduced funds from some locations to provide additional resources to another, the Bureau will review the specific instances where allocations are clearly below the norm and address those locations specifically.

Question: How many years has it been since tribes have been given the opportunity to budget for real increases in tribal priorities without having to shift funds out of other needed programs?

Answer: The Bureau has found that general IPS increases are difficult to justify to the Department and the Office of Management and Budget. There have been program-specific increases requested for the last three years in social services and in FY 1991 for law enforcement. These funds are added to the base funding and are available for reprioritization in the development of future budgets.

Question: What amount of funding would have to be provided to make up the losses in purchasing power over this period of time?

Answer: In FY 1981, $192,175,000 was contained in the Indian Priority System for the same programs which are included in the FY 1991 IPS budget request of $280,454,000. The Bureau does not have sufficient information to calculate how much would be needed in FY 1991 to provide the same purchasing power.

Calendar Year Contracting

Question: In the 1990 Act, Congress included $54 million to cover the estimated costs of converting tribal contracts to a calendar year basis, as required by Sec. 204(d)(1) of the Amendments. Do you anticipate the need for any additional funds for this purpose in FY 1991?

Answer: As of May 15, 1990, approximately 185 tribal contractors have indicated that they wish to convert to contracting with the Bureau on a calendar year basis. Approximately $39 million will be needed in FY 1990 to accomplish that conversion.

There are about 250 tribes which have indicated that they are either not willing to convert in FY 1990, are deferring the decision until FY 1991, or do not wish to consider conversion at all. Assuming a similar level of contracting and that the FY 1990 conversions are successful, it is possible that other tribes may convert in FY 1991. A tribal contractor wishing to made the conversion in FY 1991 without the benefit of additional fiscal resources may do so by extending its FY 1990 contract for an additional quarter and including a portion of FY 1991 funding in the "carryover" contract.

Liability Insurance

Question: Sec. 201(c)(1) of the Amendments makes the Secretary responsible for obtaining or providing liability insurance coverage for tribal contractors, beginning in 1990. In the 1990 Act, Congress provided temporary coverage under the Federal Tort Claims Act while directing the Secretary to work with an Indian organization called Double Eagle Risk Management, Inc. and IHS, and to submit a joint report to the Committees by February 1, 1990. Instead, the Secretary submitted a letter on February 5, stating that because of concerns of the Assistant Secretary, the joint study was not initiated as directed, and that there will be a considerable delay in carrying out a study "within the laws affecting procurement actions". What is the current status of this effort?

Answer: The acquisition request to establish a contract for completion of the required liability insurance study has been forwarded to the Bureau's contracting office for advertisement. The scope of work developed to accomplish the study was completed by the Bureau of Indian Affairs with input from the Indian Health Service.

Question: When will the study directed by the Committees be provided?

Answer: As noted in the Secretary's February 5, 1990, letter, the Bureau hopes to be able to provide the results of the study no later than December 31, 1990.

Question: How do you intend to "work closely" with Congress, as stated in your memorandum to the Secretary, on this study?

Answer: The Bureau intends to forward a series of status reports to the Congress on each phase of this study beginning with the release of the acquisition request. The initial report has been written and is currently in the surnaming process within the Bureau.

Question: How do you intend to meet the requirements of the law regarding provision of liability coverage for tribal contractors in FY 1991?

Answer: The Bureau supports the extension of the Federal Tort Claims Act coverage to tribal contractors in the same manner as it was done in FY 1990. Absent that continuance, the Bureau would propose that all tribal contractors again pay for required liability insurance from their negotiated indirect cost agreements or through negotiated lump sum agreements.

School Buses

Question: On p. 336, there is a request for 15 replacement school buses. How do you determine the number of buses needed for replacement purposes?

Answer: There were 150 Bureau-operated and contracted schools which responded to a Bureau survey to determine which schools would be replacing the 44- or 65-passenger buses. The schools reported that in school year 1990-91 they would be replacing a total of 26 buses. The number of 15 in the budget is incorrect. The survey did not include the contract schools.

Question: Is there no need for new buses? Have you received any requests for new buses?

Answer: The Bureau will be conducting another survey of the need for school buses in June in preparation for meetings with GSA to discuss the bus purchase/lease process which is now in effect. At that time, the schools will be asked to provide information on the need for additional buses.

Education Contingency Fund

Question: On p. 33, the budget notes that 1% of the formula funding may be used as a contingency fund to meet unanticipated requirements at Bureau-funded schools. What amount of funds did this provide in the contingency fund in 1989 and 1990?

Answer: The contingency fund included the amounts shown below:

	ISEP funds	1% Contingency Fund
FY 1989	$158,615,000	$1,586,200
FY 1990	170,711,000	1,707,100

Question: How were these funds used in 1989?

Answer: The funds were used as follows in FY 1989:

Child Abuse Training	$145,000	Leupp Textbooks/Salaries	13,000
Testing Contract CTB/McGraw-Hill	50,000	Navajo Mountain Textbooks	3,900
Santa Rosa Ranch Fire	55,600	Cherokee ISEP Adjustment	9,400
Maine Indian Education Payment	494,600	Tuba City High ISEP Adj.	56,600
ISEP Distribution	534,400	Turtle Mt. Elem ISEP Adj.	10,100
NISBA Audit of funds	12,000	Lukachukai School ISEP Adj.	22,300
Lummi Buses (two)	56,400	Nazlini ISEP Adjustment	6,000
Fond du Lac Buses (two)	60,000	Hannahville Bus	34,000
Marty School Furniture	22,900		$1,586,200

Question: Have any of the funds been used in 1990? If so, for what purposes?

Answer: As of May 15, the following expenditures have been made from the contingency fund for FY 1990:

ISEP Adjustments:	
Chief Bug-O-Nay Ge Shig School	$491,800
Tuba City Boarding School	57,500
Pierre Indian Learning Center	25,700
Cherokee Central	16,800
Gila Crossing Day School	3,700
Crow Creek High School	3,200
Rocky Boy Tribal School	9,500
Tuba City Boarding School	3,000
Leupp Boarding School	24,000
Many Farms Boarding School	20,000
Winslow Dormitory Personnel	4,800
Maine Indian Education Payment	154,800
Hopi Agency Standards Assignment	2,700
Union Salaries Reimb-Chemewa	54,600
Hopi High School Yearbook	12,600
ISEP Distribution	364,000
	$1,247,900

The ISEP adjustments result from discrepancies in the original student count, which are adjusted after audits, usually in the schools' favor.

Question: If the funds are not needed for unanticipated needs, how are they used? At what point in the fiscal year?

Answer: Any funds which are not distributed for unexpected or well documented needs are added to the ISEP formula and distributed to the schools by the formula. These distributions are made at the end of the third quarter or beginning of the fourth quarter.

Student Enrollment

Question: The table on p. 34 shows the attendance and weighted student units for the past ten years. In 1990, the estimate for ADM's was 39,100 and for WSU's, 66,200, while the actuals were 39,791 and 68,996. What is the reason for the increase in attendance, the first since 1984?

Answer: The increase in enrollment is in the Day Schools, predominately in kindergarten and grades 1, 2 and 3. The increase in FY 1990 was so unexpected that the Bureau surveyed second semester enrollment and discovered that 910 students had left the system since student count week last Fall.

Question: Why do you assume that enrollment will decline again in 1991?

Answer: As stated above, the current enrollment in bureau schools is below the FY 1989 figures. The Bureau believes the historical decline in enrollment will continue.

Question: How was the amount of decrease included in this request ($1,181,000) due to expected declining enrollment determined?

Answer: The calculation was based on the average decline in enrollment over the past ten years multiplied by the average payment per student.

Declining Enrollment

Question: There is an increase of $200,000 requested for the declining enrollment adjustment. 82 schools experienced declining enrollment in 1990, compared to 21 the year before. Why did only 19 schools receive funding, out of the 82 with declining enrollment in 1990?

Answer: Of the 82 schools that experienced a decline in enrollment, only 19 met the 10 percent decline in enrollment requirement which entitles them to extra funding.

Question: What was the source of the additional $241,000 used for this program in 1990?

Answer: The funds were taken from the formula before distribution was made to all schools.

Teacher Pay

Question: There is a request of $8,800,000 for the second year of the phase-in of the DOD teacher pay scale. Several groups testified that the first year's add-on in 1990 fell short, for several reasons: because the amount did not take into consideration fringe benefits, and because the increase was distributed by the formula based on WSU's, rather than on the basis of a staffing analysis. When you calculated the amount needed in 1990 for this purpose, did you use two "average salaries", one for BIA schools and one for contract schools? Why?

Answer: The Bureau used a single average salary for BIA schools and contract schools and the formula below:

1,880 Bureau teachers, counselors, & home living and specialists	x $23,340 average salary =	$43,879,200
1,880 DOD teachers, counselors, & home living specialists	x $33,356 average salary =	$62,709,300
DIFFERENCE		$18,830,100

The $18.8 million additional cost represented only the cost of teachers, counselors, and home living specialists in Bureau-operated Schools. Section 106 of P.L. 93-638 requires that "the amount of funds provided under... contracts...shall not be less than...would have otherwise [been] provided for...direct operation of the programs or portions thereof for the period covered under the contract..."

To calculate the additional amount required under this provision of law to provide contract schools with the same funding for salary increases, comparative Weighted Student Units (WSUs) were used.

Question: How can all teachers and counselors be raised to the DOD level if two different averages are used, rather than figuring the amounts needed to raise each teacher up to the DOD level?

Answer: As stated above, only one average salary was used since the Bureau did not have information about salaries paid at contract-operated schools.

Question: How was the $8.8 million increase for 1991 calculated?

Answer: In FY 1989, the Bureau-operated WSU count equaled 41,127 (71% of the total WSUs). The contract schools WSU count equaled 19,480 (29% of the total WSUs). Therefore, $18.8 million was considered to equal 71% of the total cost, and the total cost was calculated to be $26.5 million. ($7.7 = 29%). In accordance with P.L. 100-297, 1/3 of this total cost, or $8.8 million, was the estimated cost of the pay raise in 1990. The request of $8.8 million for FY 1991 represents the second 1/3 of the cost.

Question: If it was calculated on the same basis, won't the funding shortfall be even greater?

Answer: The FY 1991 pay raise calculation did not include the 5.5% DOD raise which was approved in April 1990 after the President's budget had been submitted to Congress, nor the fringe benefits. Both of these factors will have an impact on shortfalls at the school level.

Question: Why do you think the funds should be distributed based on WSU's?

Answer: The ISEP formula is prescribed in the Code of Federal Regulations for distribution of school operations funds. A revision to the CFR would be necessary to distribute the funds differently.

Question: Would it be possible to do a position analysis and distribute the funds accordingly?

Answer: It would be possible, but cumbersome, to do a position analysis of positions in Bureau-operated schools, however the contract and grant schools would also have to provide such data for us to distribute on that basis.

Exemplary Schools Program

Question: The budget includes $450,000 for the third year of the recognition of exemplary schools program. Provide a listing of the ten schools which participated in this program in 1990?

Answer: The schools which participated were:

Sponsor School	Adopted School
Cherokee Central High School	Nay-Ah-Shing
Dilcon Boarding School	Pine Springs School
Wingate Elementary School	Teec Nos Pos Boarding School
Riverside Indian School	Sequoyah High School
Second Mesa Day School	Hopi Junior/Senior High School
Jemez Day School	Beatrice Rafferty/Indian Township Schools
Two Eagle River School	Busby School

Both contract and Bureau-operated schools are included.

Question: What specific accomplishments were achieved through this program in 1989?

Answer: A variety of accomplishments were achieved through this program which is coordinated with efforts from the Gould Foundation. Some specific accomplishments are listed below:

- Whole language workshops;
- A four week summer curriculum workshop;
- Development, refinement, publication and implementation of two thematic units for grades K-8 at two schools;
- Exchange of information regarding curriculum, programs, and expertise for the administration of educational programs between schools;
- Exchange of resources between schools including video tapes, textbooks and other educational materials;
- Personal contact and exchange between participants;
- Opportunity to compare, contrast and discuss the curriculum at the respective schools;
- Opportunity to visit another Indian school and reservation for an extended period of time;
- Opportunity to share and compare cultural similarities and differences;
- Opportunity to share and explore the philosophical differences and goals of the different Indian Tribes;
- Solving of problems of the "adopted schools" such as standards for discipline, attendance, mission of the school, minimum academic standards, and efficient use of space;
- Pen pal exchange between students; and
- Exchange of teacher-made products and materials.

Sharing Excellence Network

Question: Do you plan to continue the Sharing Excellence Network in 1990 and 1991?

Answer: The Bureau plans to continue this program for the remainder of the school year 1989/1990, and in 1991 it will become part of the Effective Schools process.

Question: What is the average size of the grants given under this effort? How much in total has been used for this purpose?

Answer: The average size of the grants to the schools for the Exemplary Schools Recognition Award was $16,000 for each school. The total amount for the Exemplary School Recognition programs was $250,000. The total amount for the Sharing Excellence Network was $200,000 with an average grant of approximately $20,000 per school.

Question: When do you plan to evaluate this program to see if expected results are being achieved?

Answer: Several internal evaluations have been made by the Bureau, which included site visits. The exchange at the meetings of the steering committee offers an informal evaluation and as a result many new ideas have been implemented, so the evaluation is on-going.

Staff Development and Training

Question: An increase of $500,000 is requested for staff development and training. Will only new principals and administrators be trained in the two week institutes you intend to implement?

Answer: In FY 1991, the Bureau is requesting an additional $500,000 for training new administrators as well as retraining current teachers and counselors. Recent research indicates a need for different training to address the learning styles of Indian students. The Bureau anticipates that the training will be completed through a variety of methods using Bureau personnel, contractors from colleges and universities, and staff from the Tribally Controlled Community Colleges.

Question: How will the summer training program in math skills differ from the math and science training currently being provided at Haskell for Bureau schools?

Answer: Since the budget request was submitted, the Bureau has received an increase in the funding from the Dwight D. Eisenhower Math and Science Education Act. Therefore, the Bureau will focus the new training funds on additional training on reading and language arts, counseling and learning styles of Indian children, and on instructional leadership for administrators as well as training for new teachers and administrators. The Bureau will continue to offer the math and science training sessions on an expanded basis.

Question: How was the amount of this request determined?

Answer: Forty-one schools will receive comprehensive school improvement training in the Effective Schools process at a cost computed to be $500,000 for consultants, travel and materials. The cost of the summer training and orientation sessions was computed based on the anticipated number of personnel, the per diem rates, travel and the anticipated contract rate at the colleges and universities.

Question: Provide a breakdown of how the total request of $1,000,000 will be used.

Answer: The estimated breakdown of expenses follows:

Consultants from colleges and universities.....	$ 35,000
Rental of seminar and meeting rooms.....	15,000
Travel and per diem for participants.....	468,000
Salary for participating staff since they will be brought on board sooner.....	233,000
Materials and supplies.....	30,000
Implementation and follow-up at 180 schools	219,000
	$1,000,000

Writer's Workbench Demonstration Project

Question: Funds added in 1990 for the Writer's Workbench Demonstration Project are deleted. What have been the results of this pilot project?

Answer: The Bureau distributed the funds to the six pilot schools. It is our understanding that the materials have been ordered and will be installed in the schools. The company is experiencing some difficulty in personnel turnover and the contact person for this project is no longer available to provide information to us.

Equipment for Schools

Question: There is an increase of $625,000 for equipment for junior and senior high schools. Do you have a current inventory of such needs by school? If so, how was it prepared, and when?

Answer: Equipment is one of the features schools are required to report annually on their standards compliance report. The report for SY 1988-89 has been drafted and is currently being circulated within the Bureau for review. The amount of $625,000 was derived from the recommendation of the site visitation teams who assisted in the preparation of the Standards Compliance Report for 1986 to 1988. A draft report was recently forwarded to the Committee.

Question: How will the needs at individual schools be verified before funds are allocated?

Answer: As part of the application process, the Bureau will require the schools to list existing equipment, date of purchase, age, amount of usage, the number of students who have access, and the general condition of the equipment if it is replacement. If the application is for new equipment, the school will be asked to justify the expense and explain why the school cannot purchase the equipment within its ISEP funds.

Question: How will the funds be allocated among schools?

Answer: The schools must apply for these funds like they did for the textbook funds. A committee will review and rank the applications based upon established criteria.

Question: How was the amount of $625,000 determined?

Answer: As stated in the answer above, the estimate was derived from the reports of the visitation teams.

Parental and Community Involvement

Question: There is an increase of $2,000,000 for parental and community involvement, to implement pilot programs using various existing programs. How many schools do you anticipate will be able to participate at this level of funding?

Answer: In FY 1991, the Bureau plans to use six to ten school sites for early childhood/parental involvement programs serving children from birth to six years of age and their parents. Parents as Teachers (PAT) and Parent and Child Education (PACE) are programs the Bureau will recommend to service these parents and children.

Question: How many tribes have Adult education programs? How many do not?

Answer: In FY 1990, 84 tribes have Adult Education programs. According to the reports, 428 tribes do not have Adult Education programs funded by the Bureau. The Office of Indian Education in the Department of Education also supports adult education. In addition, states are provided more than $1 billion annually for adult and vocational education.

Question: Will this effort require no new staff?

Answer: The Early Childhood Education/Parent involvement is expected to require additional staff, such as a director/coordinator and/or early childhood teachers. The size of the staff will depend on the size of the program and the school. The Central Office will need one more Education Specialist to oversee the program.

Question: Do you anticipate this will be a continuing effort at this level of funding?

Answer: Since decisions relating to development of the FY 1992 budget have not been made, it would be premature to speculate on funding for Early Childhood programs.

Question: What are your plans for evaluating the results of this effort?

Answer: The Bureau has determined that ten schools will be a sufficient number of schools to evaluate the pilot program. The Bureau plans to use the same approach as the Missouri model complete with test data.

Question: What percentage of total children in the appropriate age groups will be served by this effort in 1991?

Answer: It is estimated that approximately 100 children per school will be served.

Institutionalized Handicapped Program

Question: There is an increase of $800,000 for the institutionalized handicapped program. Do you have a breakdown of where services will be provided with this increase?

Answer: In FY 1990 there are 213 handicapped students served in the Institutionalized Handicapped program. Six students were added in the Aberdeen Area in January 1990. Based on the projection of the number of students being mainstreamed and the number of current referrals it is expected 224 students will be served during FY 1991.

Tribe	Number Served	Residence	State Served
Pine Ridge Oglala	5	South Dakota	South Dakota
Pine Ridge Oglala	1	South Dakota	Wisconsin
Crow Creek Sioux	5	South Dakota	South Dakota
Cheyenne River Sioux	10	South Dakota	South Dakota
Ft.Berthold (3 Affil.Tribes)	2	North Dakota	North Dakota
Ft.Berthold (3 Affil.Tribes)	1	North Dakota	South Dakota
Yankton Sioux	2	South Dakota	South Dakota
Lower Brule	5	South Dakota	South Dakota
Sisseton Sioux	1	South Dakota	South Dakota
Standing Rock Sioux	2	North Dakota	North Dakota
Standing Rock Sioux	1	South Dakota	South Dakota
Navajo	114	Navajo	Arizona
Navajo	37	Navajo	New Mexico
Navajo	1	Navajo	California
Couer d'Alene	1	Idaho	Idaho
Choctaw	1	Mississisippi	Colorado
Hopi	2	Arizona	Colorado
Hopi	1	Arizona	Arizona
Salt River Pima/ Maricopa	4	Arizona	Arizona
San Carlos Apache	1	Arizona	Arizona
Whiteriver Apache	3	Arizona	Arizona
Hualapai	1	Arizona	Arizona
Cocopah	1	Arizona	Arizona
Pima Sacaton	11	Arizona	Arizona
Total Students	213		

Question: How many children, of the 12,000 identified as needing services, will receive such services?

Answer: The 12,000 students identified included all handicapped children ages 3 and 4 on reservations and in the State of Alaska. Not all handicapped children need institutional care. On reservations where the Bureau has elementary and secondary schools, the report estimated that there are 3,000 handicapped children. Some of these handicapped children are served in our

schools, others are being served by public schools, Head Start, and other agencies. This figure did not include five year old children not in school. It is expected, based on these figures and the percentage of school age students being served in institutions, that about 4% will be in need of intensive intervention at this age, or about 120 children. As many of these children will be served by other agencies in their home, it is expected that the Bureau will provide institutional care for about 24 children.

Question: Will any increase in the daily rate for the providers on the Navajo Reservation be given?

Answer: Rates for the providers on the Navajo Reservation were originally established in 1984 by the Office of the Inspector General (OIG). The OIG indicated these rates were not accurate and a rate determination should be developed based on the service needs. A fixed daily rate is presently being established in the Navajo Institutional Program and should be completed for the next funding cycle.

The average cost for institutional placement has gone up each year, and the Institutionalized Program has been subsidized from P.L. 94-142 funds. Since the expansion of the service population, this use of P.L. 94-142 funds is no longer feasible.

Education Area and Agency Offices

Question: The amount requested for area and agency education office staffs is the same as 1990, $6,862,000, but there is a proposed decrease of 20 FTE's due to the decrease taken in 1990 of approximately $1,600,000. How exactly are you applying the reduction in 1990?

Answer: Each Area and Agency office was reduced by approximately 16.5% from its FY 1989 funding level.

Question: You estimated a year ago that the FTE reduction in 1990 would be 21. Is this still a good estimate? What kinds of positions are involved?

Answer: The estimate is high because the reductions were not accomplished until late in the fiscal year. Education specialists, business technicians, clerks and secretaries are the types of positions that are involved in the reductions.

Question: Where are the changes occurring? Provide details for the record.

Answer: Changes were made at each of the 33 Area and Agency offices; however, no offices will be closed. Each office is adjusting its staff to accommodate the reduction.

Substance Abuse Counselors

Question: The budget again proposes to reduce the funding for substance/alcohol abuse counselors by $500,000, because of the difficulty of hiring certified counselors. What kind of training is the Bureau giving to existing teachers and counselors?

Answer: In-service training has been provided teachers, counselors and other school personnel in the prevention, intervention and treatment potential of substance abusers. This training was provided by private or university consultants, and the goal was to give the participants the skills needed to recognize, identify and provide follow-up treatment to substance abusers or those who could potentially become abusers.

Question: How many positions have received this training?

Answer: Through an informal survey, the Bureau determined that over 5,000 education personnel have received training in the last three fiscal years. The table below provides details of positions and number of personnel trained.

Fiscal Year	Existing Counselors	Existing Home Living Specialists	Existing Teachers CE and Status Quo	Other
1988	68	127	700	1,383
1989	54	107	515	1,019
1990	34	79	397	442

Fiscal Year	Newly Hired Counselors	Newly Hired Home Living Specialists	Newly Hired Teachers	Newly Hired Other
1988	10	1	29	72
1989	10	3	27	43
1990	12	1	12	42

This data gives some idea of the numbers of personnel trained; however, some individuals attended training more than one time or attended different training opportunities.

Question: How will you be able to continue the training with less funding?

Answer: Much of the training provided to educators has been funded through a grant received from the Department of Education. The Bureau plans to use some of the staff to continue the training and depend less on private and contract consultants. It is believed that this approach will encourage communication between all school personnel who encounter students so that a concentrated effort to prevent abuse and to intervene with substance abusers can be achieved.

Question: If you are not able to hire certified counselors, how else could these funds be used to combat alcohol and substance abuse in BIA schools?

Answer: The Bureau will continue to use the funds for training and also to recruit counselors.

Question: How important is this effort?

Answer: Given the at-risk students served by the Bureau-funded schools, the Bureau believes that we must continue to attempt to recruit counselors or train existing staff to provide them with the skills necessary to assist in the prevention and early detection of substance abuse. Indian Health Service statistics show 121,623 Indian mothers under the age of 20 years and 451 mothers under the age of 15. These teenage mothers must be educated about Fetal Alcohol Syndrome. Alcohol death rates for American Indians and Alaska Natives is 24.6% for 1986, over 3.8 times the rate for the United States, all races.

Tribal Departments of Education

Question: The $100,000 provided in 1990 for a tribal department of education for the Choctaw tribe is deleted in 1991. What has been accomplished with these funds in 1990?

Answer: The Choctaw Tribe had a tribal education organization prior to the FY 1990 Congressional funding. Their organization has established three education divisions to coordinate the Choctaw education programs: Division of Early Childhood Education, Division of School Operations, and the Division of Adult, Post Secondary and Rehabilitative Education. A complete management system for the divisions was established; a centralized staff development program was established and implemented; and the Tribe publishes a monthly education newsletter for all community members.

Question: How will the Choctaw tribe be able to continue this effort in 1991?

Answer: The Choctaw Tribes receives administrative costs and indirect cost funding based on their contracts for education programs. The operation of a Tribal Department of Education is an appropriate and allowable cost for their indirect cost pool.

Question: Doesn't the establishment of these departments require additional funds in addition to the costs for tribal administration included in indirect cost funding?

Answer: As stated above, the Tribal Education Departments are an appropriate and allowable cost within indirect cost pools. Since many tribes have had such Departments for many years, the Bureau does not support the idea that additional funding is necessary.

Question: If additional funds are not provided, what are the likely impacts?

Answer: The Choctaw Tribe will be able to coordinate the education programs that generate administrative cost funding. The coordination of other non-Bureau funded educational programs should be supported by the funding organization, not the Bureau.

Education Administrative Cost Grants

Question: A total of $19,000,000 is included for administrative cost grants, to be provided to contract schools according to a formula. Have you initiated the study of the factors affecting administrative costs for contract and grant schools yet? When do you expect to have the results?

Answer: The Bureau has budgeted $50,000 for the Administrative Cost Study and has reviewed one proposal from an independent company. The proposal was rejected because it did not meet the intent of the study, but proposed instead an audit of schools' administrative costs. The Bureau will continue to accept proposals, and the scope of work requires a three months turn around in the information and report.

Question: How was the amount included determined? Provide details for the record.

Answer: The budgeted request for $19 million was based on a preliminary calculation of the funding required for the second year of phase-in of the new Administrative Cost Formula. Schools which had indicated an intent to contract were also added to the calculation.

Question: What is your plan if the amount requested does not prove to be adequate?

Answer: If the amount requested is not adequate, the Bureau would first seek reprogramming to meet any shortfall, or ratably reduce all contractors as is provided in P.L. 100-297.

Johnson-O'Malley

Question: The request for Johnson-O'Malley educational assistance is $20,548,000, a decrease of $3,100,000. In FY 1990, the program funded 217,000 students, compared to 206,000 in FY 1989, or an increase of almost 6%. To what do you attribute the increase in the population served?

Answer: The increased number of students served by JOM in 1989 and 1990 was a result of the change in definition of eligible Indian students. This trend is not expected to continue because most programs have refined the process of identification and verification of eligible Indian students.

Question: How can you serve this growing population with the decrease in funds proposed?

Answer: Assuming the population remains constant at 217,283, the impact of the decrease should be limited to $1.12 per student with each contracted program determining how to absorb the reduction.

Question: What is the basis for your statement that there will be increased funding on the part of the States?

Answer: The distribution of Johnson-O'Malley funding is based on statistics from the Digest of Education Statistics which is published by the U.S. Department of Education. The statistics indicate that over the past few years state per pupil average expenditures have increased.

Post-Secondary Schools

Question: The request for Haskell and SIPI is $11,829,000, a decrease of $763,000. The budget notes that their dormitories continue to be filled to capacity. How should the need for additional dormitory space for these schools be considered?

Answer: Under current construction priority guidelines regarding "unhoused students" in elementary and secondary schools, it is unlikeley that construction of additional dormitory space for post-secondary schools will make the construction priority list. There has been extensive rehabilitation work on dormitories at Haskell in recent years. All existing dormitories at Haskell are now

operational except for Tinker Hall which is beyond rehabilitation. SIPI's original construction plans were developed for two phases. Phase I included two dormitories which currently exist. The Phase II plan identified two additional dormitories, but construction has never been implemented. The need for additional dormitory space would have to be considered as a special initiative or set-aside.

Question: Since they are national postsecondary schools, shouldn't their construction needs be considered outside of the elementary and secondary school priority construction listing process?

Answer: As stated above, the Bureau agrees that post-secondary dormitory construction would have to be considered separate from elementary and secondary schools. The construction needs for education programs are of a large magnitude, and competing funding priorities make it difficult to fund all of these needs.

Question: How much of the increase provided for each school in 1990 was spent on equipment, and for what type of equipment? Provide details for the record.

Answer: In FY 1990, Haskell and SIPI spent the following amounts on procurement of equipment:

	Haskell	SIPI
Dormitory Furniture for Student Housing	$106,861	
Natural Resources and Biology Laboratory Equipment	28,218	
Business Education Equipment		39,468
General Studies Equipment		4,441
Occupational Technologies Equipment		123,755
Media Equipment		4,720
Facilities Equipment	6,190	26,795
TOTAL	$141,269	$199,179

Question: How successful have the natural resources programs been at SIPI and Haskell?

Answer: According to a 1989 report by the Society of American Foresters, Native Americans comprise one-half of one percent of students enrolled in professional level forestry and natural resources programs. Specifically, of 14,136 students, 71 are Native American. In the Bureau alone which has trust responsibilities for 99 forested reservations, there were 57 professional forestry positions unfilled in December 1989. Currently, only 58 of the Bureau's 277 foresters are Native Americans. In addition, the Bureau projects the retirement of 49% of their natural resources professionals before the end of 1992. Within the Forest Service, Native Americans represent less than 2% of the professional natural resources workforce. A natural resources program such as Haskell's which is the only intertribal program serving more than 100 can significantly change these statistics.

Prior to the summer of 1987 no placements of Haskell students in natural resources summer or cooperative employment positions were facilitated or tracked by Haskell. The following table shows the placement of Haskell students since 1987:

Summer	Accepted	Reported	Cooperative Placements
1987	50	25	0
1988	30	28	1
1989	52	50	12 (BIA, ASCS, FS)
1990	54		26

Prior to the academic year 1987-88, no natural resources courses were offered at Haskell. The first course was offered to provide an orientation to natural resource careers and to provide a mechanism for improving the number of successful placements in summer positions.

School Year	Natural Resource Management	Fire Fighting	Forest Management	Land Management	Soils	Total
1987-88	36	--	--	--	--	36
1988-89	55	9	8	--	--	72
1989-90	66	19	7	6	10	108

At SIPI, the program has gained wide support from natural resource management agencies, the Forest Service, National Wildlife Foundation, National Park Service, and the Soil Conservation Service. A MOU exists between Region 3 of the Forest Service and the Bureau to provide co-op training slots and seasonal employment to SIPI students. These co-op slots carry a stipend of $500 in addition to the regular salary. All but two students in natural resources were placed at the Southwest Regional Ranger Districts and will earn 3 credit units toward certification in addition to their salary. SIPI has also been included in Minority Outreach Recruitment for Employment Education (MORE) a project developed by Region 3 of the Forest Service.

Question: Could the program serve more students if more funding were provided?

Answer: At this time, there are Native American high school students who are unaware of the program. Additional funding would allow for a recruiting program and enable Haskell and SIPI to retain and mentor those interested in pursuing a career in Natural Resources. Additional funding for Natural Resources also means increased costs to both Haskell and SIPI such as room and board, support services and travel.

Transfer O&M for Postsecondary back to Facilities

Question: A letter was submitted April 23, 1990, requesting a base transfer of O&M funds in the amount of $3.042 million from the Haskell & SIPI line item back to the Facilities Management line item, from where these funds had been transferred in 1988. Why does this transfer need to be made? What will be the benefit?

Answer: The transfer of funds for Haskell and SIPI in 1988 was intended to provide the schools with a total operating budget under their control. After 3 years of experience, the schools have determined that transferring the funds and function back to the Facilities Management program will provide more effective management of funding by coordinating all maintenance activities under specialists. In Facilities Management there is an established funding formula that would ensure generation of an appropriate funding level.

Question: Why is the amount to be transferred less than the original amount transferred in, in 1988 ($3.210 million)?

Answer: The amount of the base transfer in 1988 was $3,660,000 which included $450,000 for the Institute for American Indian Arts (IAIA) which is no longer part of the BIA budget. The balance of this transfer or $3,210,000 represents the amount transferred for Haskell and SIPI. The reduced amount may reflect what the schools are actually spending for maintenance costs.

Question: How was the amount of $3.042 million determined? Do the schools agree with this amount?

Answer: The $3.042 million to be transferred reflects the amount currently being spent for facilities requirements at Haskell and SIPI. In future budgets, the O&M funding allocation will be determined by the recently implemented O&M formula. At that time, funding may change, depending on factors in the formula. The schools are aware of the formula and the impact it may have on future budgets.

Question: Will this level of funding be adequate for O&M?

Answer: As noted above, this constitutes an internal transfer of funds. No decrease in this funding level is involved in the transfer. In FY 1991 and beyond, the O&M funding level will be determined under the O&M formula. It is anticipated that future O&M will be adequate for the institutions and equitable with funding distributed for O&M at other locations.

Special Higher Education Scholarships

Question: There is a decrease of $360,000 for special higher education scholarships. What is the rationale for funding only students in priority fields?

Answer: The priority fields were established by tribal input and are given priority in funding, but students in other fields also receive scholarships.

Question: How can even the needs in these fields be met with the decrease, if the program had a total of 532 applications in FY 1990, and only 301 were funded?

Answer: The table in the budget indicates that 532 applications were received, which does not mean that all of the applicants were eligible or that their application file was complete.

Question: According to testimony, new students funded in 1990 were only funded at 50% of need, which resulted in some dropouts. How will your budget request address this situation?

Answer: The Bureau has no information to substantiate that dropouts resulted from not funding students at 100% of need. Special Higher Education Program grants are only one source of funding for students wishing to pursue post graduate studies, and elementary and secondary education remains the number one education priority of the Bureau of Indian Affairs.

Tribally Controlled Community Colleges

Question: The request for the tribally controlled community colleges is $16,043,000, the same as the base, which was an increase of 24% over 1989. The student count in 1989 for Title I colleges was 4,406, an increase of 16% over 1988. Why do you think the student count will only increase by 8% in 1990 over 1989?

Answer: One new college was added in FY 1989 and another in FY 1990. The estimated Indian Student Count figures are provided by the individual colleges. They are not prepared by the Bureau.

Question: If the higher growth rate continues, what impact will this have on the per student funding available to the colleges?

Answer: Assuming constant funding, the per student funding will obviously decrease if enrollment grows.

Question: How does the current per student count funding ($2,230) compare to the average for public community colleges?

Answer: The Bureau does not have information about average funding for public community colleges.

Question: If the projected estimate of growth is achieved (8%), how will this level of funding be affected?

Answer: The funding per indian student count will decrease proportionately.

Question: The request for the endowment funds is $500,000, the same as last year. Why are you not proposing an increase in this program?

Answer: The Bureau supports the endowment program, however, it has been difficult to provide the technical assistance needed to assure that the matching funds reported by the TCCCs are substantiated and deposited in Federally secured institutions. This is a new program, and the Bureau is becoming more confident about the ability of the colleges to generate the contributions.

Question: Are there indications that the colleges would be able to generate additional funds if additional Federal matching funds were available?

Answer: The TCCCs have begun intensive fund-raising efforts and feel confident that they could match any funds appropriated for endowments.

Question: In FY 1990, $400,000 was provided for a demonstration project in teleteaching with Mansfield University in Pennsylvania. What is the current status of this effort? When will results be available?

Answer: Equipment has been installed at 15 tribal colleges. Two "high priority" sites (AIHEC and UTTC) will have equipment in the near future, and the remaining 7 colleges on a lower priority status. A three day hands-on workshop was conducted for all participating colleges during the quarterly meeting of AIHEC in April 1990. The Mansfield University field representative is in the process of visiting each site to provide technical assistance to all personnel who will be utilizing the equipment. The final report will be made to the contracting officer after September 30, 1990, at the conclusion of this portion of the project.

Education Tribe/Agency Operations

Question: The request for education tribe/agency operations is $31,122,000, a decrease of $1,098,000, of which $1,093,000 is in scholarships. Many tribes testified as to the need for additional scholarship funding. Why is this budget decreasing if the needs are increasing?

Answer: The decreases are the result of the application of the Indian Priority System at the local level. Tribes in four of the areas which show decreases under scholarships and adult education have placed funds in the newly-established Consolidated Tribal Government Program which is included in the budget under Tribal Services - Tribe/Agency Operations. A total of $1.4 million for adult education and scholarships was placed in this program by the tribes, therefore, the overall amount available for education programs in FY 1991 is an increase of over $300 thousand.

Question: Have the tribes been given the opportunity to budget for any increases in this area, without having to reduce other essential services on the reservations?

Answer: The Bureau has not requested a specific increase for the education program in Tribe/Agency operations. The level of funding for these programs is determined at the local level. Since the Indian Priority System is based on priority decisions within a base amount of funding, some program necessarily has to be reduced if another is increased.

The transfer of these programs to Consolidated Tribal Government Program is merely for the convenience of the tribes to operate like programs under a single contract. The education services will still be provided to individuals. As stated in the answer above, the funds available for education programs actually show an increase over FY 1990.

Question: The funding for the tribally controlled colleges Snyder Act supplemental funding is $923,000, the same as the base. Have any of these amounts been reduced by the BIA from the levels requested by the tribes?

Answer: The level of supplemental Snyder Act funding provided to the TCCCs is determined by the local tribes. No reductions to these amounts have been made by the Bureau.

New Tribes Funding

Question: The request for Aid to Tribal Government is $5,619,000, an increase of $1,056,000. Included is $825,000, the same as the base, for new tribes funding. Has a needs assessment been done for the two tribes who are sharing this funding (Coquille and Lac Vieux Desert)? If so, what funding has been identified?

Answer: The Coquille Tribe prepared and submitted in May 1990 a needs assessment and identified $612,100 as the requested FY 1991 funding level plus an additional $60,000 for the Siletz Agency to fund programs that they will not contract. In FY 1992, the tribe proposed the funding be increased to $873,576 for the tribe and an additional $80,000 for the Siletz Agency for programs not contracted by the tribe. The Bureau has not completed its review of the Coquille assessment.

The Lac Vieux Desert Band of Chippewa Indians have not performed a needs assessment. Their initial request for funding upon recognition was $500,000, which included the use of appropriated funds to purchase additional land for their reservation. This tribe is under the jurisdiction of the Michigan Agency and they reviewed that budget with the tribe and advised that $350,000 could be fully justified. They also informed the tribe that appropriated funds must be identified within the language of the appropriations act for the purchase of land.

Question: What is the status of the final determination of Federal recognition for the San Juan Southern Paiute Tribe? Is it likely that recognition will become effective by or before the beginning of FY 1991?

Answer: On March 27, 1990, the Interior Board of Indian Appeals (IBIA) affirmed the Assistant Secretary - Indian Affairs' decision to acknowledge the San Juan Southern Paiute Tribe. The Assistant Secretary - Indian Affairs received the decision on March 29, 1990 and that is the effective date for acknowledgement. The Secretary of Interior's February 23, 1990, memorandum made 43 CRR 4.315, concerning reconsideration of Board decisions, inapplicable to this proceeding. Therefore, no party may request reconsideration.

Question: We have been advised that the Navajo Nation filed suit against the Department of the Interior in Federal District Court in Arizona. If so, how much will be required for initial funding for the tribe in FY 1991?

Answer: The San Juan Southern Paiute Tribe currently has 188 members. Because of the remoteness of the tribe's location, we would recommend $250,000. We would also suggest that administrative funds in the amount of $25,000 be made available for the local BIA agency to provide technical assistance in the establishment of the new tribal government.

Question: Why haven't you requested these funds?

Answer: At the time of submission of the 1991 budget, San Juan was the subject of pending litigation. Since the San Juan were receiving services as part of the Navajo Tribe, and their recognition does not increase the total service population of the Bureau, a transfer of funds from Navajo would be more appropriate than New Tribes funding.

Question: Have any other potential needs for new tribes funding in FY 1991 been identified since the budget was formulated? If so, provide details for the records.

Answer: The four Scotts Valley Tribes (Sugar Bowl, Chico, Lytton, and Guideville) are currently in litigation, and a final settlement is expected in early summer. The Sacramento Area estimates the funding at $160,000 for each tribe plus an additional $50,000 for agency costs to assist the new tribes in establishing a tribal governing document and Secretarial election and to provide technical assistance to the new tribes.

Community Services - Area Office Direct

Question: Under Community services, Area Office operations, there is an increase of $225,000 for initial funding for Juneau and Phoenix. What are these increases for?

Answer: These increases reflect the priorities of the Juneau and Phoenix Area Directors and are being proposed from within their existing allocations. Offsetting decreases are reflected in other programs. The funding will be used to fill four vacancies with a small amount available for travel, supplies and materials. The Area Directors for the Juneau and Phoenix areas determined that Assistant Area Directors were needed to more effectively manage their tribal services programs. Presently, there is only one Assistant Area Director in these locations to manage and oversee all programs.

Tribal Services Deputy Position

Question: There is also an increase of $50,000 for the Central Office for a Deputy to the Deputy to the Assistant Secretary for Tribal Services. Explain why this position is needed.

Answer: The Office of Tribal Services is the only Directorate in Central Office without a Deputy to the Deputy Assistant Secretary. This position would provide assistance in the day-to-day management and supervision of the Tribal Service Staff which consists of approximately 125 employees; assume all responsibilities of the Deputy to the Assistant Secretary - Indian Affairs (Tribal Services) if the Deputy were on travel status, annual or sick leave, or if the Deputy position became vacant.

Question: What positions are provided with the current level of 7 FTE's?

Answer: The following positions are funded within the current FTE:

Deputy to the Assistant Secretary - Indian Affairs (Tribal Services)
Program Analyst
Public Information Specialist
Secretary (Stenography)
Secretary (Typing)
Secretary (Typing)
Special Assistant

Eastern Area Service to New Tribes

Question: There is an increase of $105,000 for the Eastern Area office to offset costs of servicing newly recognized tribes. Explain what kind of costs are involved, and how exactly these funds will be used.

Answer: Many of the new tribes recognized in recent years have been on the East Coast and are therefore supported by the Eastern Area Office. The Eastern Area Office has very few Agency or field locations, and consequently tribes receive many support services and technical assistance from the Area. The funding will allow the hiring of additional staff and cover the costs of travel to provide direct assistance to the tribes which are geographically dispersed.

Federal Acknowledgement Process

Question: There is an increase of $633,000, including $500,000 for two additional review teams to accelerate the process for recognizing new tribal groups. What is the backlog of such determinations?

Answer: We estimate that additional documented petitions will continue to be received and that the two (2) additional teams will be required to process the backlog of petitions for Federal acknowledgement. The Branch of Acknowledgement and Research is awaiting an official response to the Obvious Deficiency (OD) reviews from 21 of the petitioning groups.

Question: Could even more review teams be used effectively? Provide details for the record.

Answer: Seventy-nine groups have filed letters of intent to petition, but have not yet submitted their required documentation. Since there are no deadlines for groups to document their petitions, we cannot accurately state when the Bureau will receive their petitions. The Branch of Acknowledgement does not anticipate that additional review teams, other than those already requested, could effectively process the petitions at this time.

Welfare Assistance Grants

Question: The 1991 request for welfare assistance grants is $82,121,000, an increase of $700,000 over the base. Why did the general assistance caseload decrease from about 62,000 in 1988 to 49,000 in 1989?

Answer: The data submitted in 1988 was not reflective of the actual caseload. As the Committee is aware, approximately 75% of the social services programs are contracted, and in 1988 we did not have a uniform means to collect data, therefore the data submitted was not actual but estimated. In 1989, we began to collect data in a uniform and valid manner and the data submitted was actual and reflective of the caseloads. The caseload did not decrease as indicated, but actually increased as is reflected in the actual expenditures.

Question: Why are you planning to decrease the amounts available for institutional care of adults and the Tribal Work Experience Program in both 1990 and 1991? How realistic are these estimated decreases?

Answer: In FY 1989, the Arizona Health Care Cost Containment System (AHCCCS) was to be phased in and it was thought that by 1990 it would be able to provide comprehensive care. The process of determining eligibility and converting clients to AHCCCS has been more lengthy than predicted, but is still occurring and cases should continue to gradually decrease. The decrease as a result of AHCCCS has not been at the level originally anticipated because many of the facilities where adult Indians are institutionalized are on reservation and do not meet the facility standards of the State of Arizona.

Decreases were anticipated in TWEP as clients who gained skills in employment were to leave the welfare rolls and enter employment. This has occurred, but additional clients eligible for the TWEP program have replaced those who leave the program. The Employment Assistance Readiness Net (EARN) projects which were to assist in this process are still in the formative process and have not shown substantial results to this date. It is still anticipated that caseloads will decrease but the process is going to be lengthy.

Question: Explain why the costs for foster home care for children and residential care for handicapped children decreased in 1990 so significantly.

Answer: The FY 1990 budget request transferred $2 million from child welfare assistance to Education for the cost of residential assistance for school-aged institutionalized children so that the residential costs could be combined with their educational costs. The efficiencies expected from this transfer have not materialized because education personnel do not have the specialized knowledge to monitor the social services aspects of the contracts. The FY 1991 budget, therefore, returns the $2 million to Social Services.

Question: How realistic are the estimates for 1991 for these two activities?

Answer: The caseload and cost estimates are based on a review of historical data and reflect our best estimate at this time. Given the broad coverage geographically and programmatically, it is difficult to be any more accurate.

General Assistance in State of Washington

Question: The basis for the $700,000 increase is the growing program in the States of Oregon and Washington. The Committee received testimony from the Kalispel Tribe in WA regarding the problems encountered in BIA's implementation of the GA program in WA, and the tribe has requested an increase of over $16 million. Last year, BIA estimated there would be an average monthly caseload of 233 in WA, compared to the tribe's estimate of 2,225. According to the tribe, the current caseload is 1,013 per month, and the program has not yet been fully implemented. Is this an accurate estimate of the monthly caseload in WA to date this year?

Answer: The Bureau's report to Congress on General Assistance in the States of Washington and Oregon described a growing caseload. The March 1990 caseload in Washington was 1,411 and has risen steadily from a first quarter average caseload of 821.

Question: What are your current estimates of what the caseload will be when the program is fully implemented? When will that be?

Answer: The Bureau estimates the monthly caseload in Washington may be as High as 2,000 when the program is fully implemented by January 1991.

Question: According to the tribe, the GA participation rate for BIA agencies in WA where the program is essentially not deficient, such as Colville, is about 6%. If the Puget Sound Agency reaches this level, the monthly caseload would reach 2,470, and would require over $6 million for the State, at the current monthly payment rate of about $228. Do you agree with these figures?

Answer: We do not agree with these figures. The average monthly caseload at Puget Sound Agency is currently 185 with slight increases. The program is fully staffed and implemented. Six percent of the population would be 1,208, and we do not feel the program will reach this level as employment is available.

Question: What is the likelihood the Puget Sound Agency will reach the 6% participation rate?

Answer: As stated above, it is not anticipated that Puget Sound will reach this level as the current monthly average caseload is only 185 with the program fully staffed and all receiving services who apply and are eligible. Employment is available to many Indians in this area.

Question: How can your requested increase of $700,000 be adequate to meet the need in the State of Washington, let alone Oregon?

Answer: The $700,000 increase is in addition to the $1.2 million added to the FY 1990 appropriation for the States of Washington and Oregon, and reflected our earlier estimate of the funding needed. Current projections approach $5 million for FY 1991 if the workload figures continue to grow.

Question: What is the basis for your requested increase of $54,000 for the Portland Area Office to support the new program in OR and WA?

Answer: The request for $54,000 will allow the Portland Area Office to fill one additional position to supervise and monitor the General Assistance program at the agencies since it is an additional workload for the Area Office. Staff at the Agency level has been funded from the Social Services increase which was specifically for hiring additional staff to reduce caseload per social worker.

Question: What is your average caseworker/client ratio in this program nationwide?

Answer: This data is not available at the Central Office. We have contacted the Area Social Workers and will provide the information to the Committee when it has been compiled.

Question: What is it currently in the Portland Area, and what will it be after the increase, based on assumed caseloads?

Answer: Currently the average caseload is 50 per worker. This is not reflective as the average takes into account the small caseloads at the beginning of FY 1990. It is anticipated the caseload per worker ratio will be 125-150 by full implementation of the program.

General Assistance in Other States

Question: No increase in requested for other States in which GA payments are not made. What is the current situation in the State of Alaska? Have any requests been made to resume the GA program there?

Answer: A request has been submitted to the BIA to reinstate GA in Alaska. Since the State of Alaska has a welfare program which is available to all residents of the State, the Bureau does not believe that our regulations would require the resumption of a General Assistance Program. We currently have a request for an opinion at our Solicitor's office, but no decision has been made at this time.

Question: If the program were to be resumed, what is your estimate of the likely caseload and costs involved?

Answer: If a program were established in Alaska, we estimate the monthly average caseload to be approximately 5,000 with a projected annual expenditure $11 million.

Question: When would these funds be needed, and how would you plan to cover them?

Answer: The Bureau could not fund an Alaska General Assistance Program within current resources. Funding would not be needed until the decision was made to resume the program.

Question: Is it possible or likely that any of the other states in which GA is currently available will experience an increase in state assistance payment standards? If so, what are the possible impacts on program funding?

Answer: It has been our experience that increases in state assistance payment standards are minimal and do not have a significant impact on our expenditure levels.

Question: Is it likely the GA program will be extended to cover the entire State of Utah? If so, when will this happen, and what will be the cost impact? How will these costs be covered?

Answer: The BIA has received a request from the Uintah and Ouray Tribe in Utah to establish a GA program. We are currently requesting a solicitor's opinion on this issue. If we are to provide services, it is anticipated it will only affect this tribe in Utah at an estimated cost of $160,000 annually. The Bureau could absorb this cost from within the existing budget.

Question: The Standing Rock Sioux tribe testified regarding the problems they encounter because their reservation is divided between the States of North and South Dakota, and their members residing in the different parts of the reservation therefore receive different payment levels.

Would you agree this creates problems for the tribe, particularly in leading to many tribal members moving from South to North Dakota in order to get the higher benefits in the latter State?

Answer: We agree this creates a problem for the tribe. In order to provide some consistency for payment standards nationwide, the BIA has utilized standards of assistance set by each state so that Indians and non-Indians are receiving the same assistance. The impact of this on the Standing Rock Tribe will be considered when the regulations are revised.

Question: Why wouldn't it be preferable to provide for a single payment standard for any reservation?

Answer: As stated, one of the things the Bureau has attempted to incorporate is consistency with the state by utilizing standards applicable to each state.

EARN Demonstration Project

Question: There is a $2,000,000 decrease due to completion of the EARN demonstration, which will be evaluated in 1991. How will this evaluation be conducted?

Answer: An outside evaluator was selected using the Request For Proposal advertised in the Commerce Business Daily. The evaluations are to begin in June 1990 with the first report due October 1990, and the final due January 1992. The EARN projects will be able to operate until September 30, 1991 using funds carried over in FY 1990 contracts.

Question: What will the costs be, and how will they be covered?

Answer: The $170,000 estimated cost of the evaluation will be funded from the FY 1990 appropriation of $2 million for EARN.

Question: Have there been any results to date reported from the demonstration?

Answer: We will be able to provide the Committee a report in October of 1990.

Question: How many persons have participated in the demonstration over the past two years?

Answer: Since the projects have not been evaluated, we do not have data about the number of participants. This information will be included in the report to be prepared by October of 1990.

Question: What is the current status of these persons, and what is expected to be their status when the demonstration ends this year? Will they return to the GA rolls, and if so, how are they reflected in the program caseload numbers and costs?

Answer: As stated above, data about individual participants is not available at this time.

Indian Child Welfare Act

Question: The request for the Indian Child Welfare Act grants program is $8.9 million, the same as 1990. Several tribes testified regarding the problem they face because with a competitive grant program, they have no ongoing means of dealing with the child protection needs of their tribes. Do you agree that this is a problem for tribes which have no other social services program than a one-year ICWA grant?

Answer: Title II of the Indian Child Welfare Act (ICWA) provides funding for the establishment and operation of American Indian child and family service projects which promote the stability of Indian families. The objective of every Indian child and family service project is to prevent the breakup of Indian families to ensure that the permanent removal of an Indian child from the custody of his/her parents or Indian custodian is utilized only as a last resort. The grant program was not intended to be the sole funding source for comprehensive child welfare programs.

In FY 1989, 114 separate projects were funded under this grant program. While most projects provide general family and individual counseling and support to Indian tribes, many contain more targeted components. Many of the projects utilize funds primarily in the service of abused and neglected children -- for prevention, treatment, advocacy, emergency shelter, and tracking of cases. In addition, several of the projects have developed specialized services to deal with the problems of drug and alcohol abuse among Indian youth.

Many of the ICWA grant programs are operated by tribes which also contract through P.L. 93-638 to administer the Bureau of Indian Affairs Child Welfare Assistance Program, which is residual to other programs. Indians are citizens of the states and counties in which they reside and are entitled to the same benefits that other state citizens receive. The BIA child welfare assistance program provides child welfare services when children have been found ineligible for the AFDC-Foster Care Program administered by the states or when jurisdictional problems affect utilization of AFDC-Foster Care for children requiring placement on reservations. States have implemented these eligibility requirements in a variety of ways which frequently limits the utilization of these services for children on reservations. These range from the provision of no services on reservations unless these requirements have been directly addressed in state/tribal agreements which may take years to establish, the passage of state legislation which more specifically limits eligibility criteria and utilization of these resources.

Question: How should this situation be addressed?

Answer: In FY 1986, the Bureau revised 25 CFR 23.37 and authorized the development of multi-year ICWA projects, therefore tribes and off-reservation Indian organizations could submit either single year or multi-year projects. Only existing grantees who had approved multi-year projects and a satisfactory evaluation of their program were authorized to submit renewal applications; no new multi-year project proposals were considered during the three year timeframe which was initiated again in FY 1989. The Bureau has continued to announce the availability of funds for single year projects.

The Bureau has given serious consideration to establishing multi-year projects only. This would encourage better overall planning by the applicants with increased potential for continuity of services. Moreover, this would decrease the number of Area Review Committees, and would ultimately allow more time for Bureau staff to focus on quality control issued within their area.

Recently, the Bureau requested each Area to establish a Tribal Technical Work Group to review the ICWA Title II Grant process and to make recommendations as to changes. The comments generated by the work groups are being compiled into a comprehensive report and will be used to identify immediate and long term (regulatory) changes which will impact the FY 1991 and future grant cycles.

Law Enforcement

Question: The request for law enforcement is $3,409,000, an increase of $442,000. Included is an increase of $100,000 to initiate tribal law enforcement in Eastern Oklahoma in accordance with recent court rulings. What did the court rulings require? How exactly will these funds be used?

Answer: The Creek Nation requested funding from BIA to establish a law enforcement program. The request was denied by BIA and the Creek Nation appealed through United States Court of Appeals District of Columbia Circuit. The court ruled in favor of BIA. The case was appealed to the Court of Appeals, Sentillo Circuit, which ruled in favor of the Creek Nation. As a result of this ruling in 1988, BIA is required to provide funding for a law enforcement program for the Creek Nation. These funds will be used to establish a law enforcement program in the Muskogee Area Office. Additional funding under Tribe/Agency operations will fund the operation of a law enforcement program by the Creek Nation and possibly four other tribes, including personnel services, vehicles, travel, utilities, equipment, supplies and firearms.

Question: There is a request of $1,357,000 to continue the substance abuse program. How much of this program is for training, and how much to conduct operations to reduce the supply of narcotics?

Answer: The funds for this program are used to train marijuana eradication teams for Indian country and to respond to requests for assistance from agencies in connection with marijuana eradication. The breakdown of funds is as follows:

	FY 1990 Post-Sequester	FY 1991 Request
Training	$ 59,000	$ 60,000
Eradication	1,258,000	1,297,000
Total	$1,317,000	$1,357,000

Question: Who will receive the training provided in this program, and how will it differ from the training provided under the Police Academy?

Answer: Other federal agencies, the National Guard, and some local county police officers have participated in training in the past. The most recent training has been conducted for only BIA and tribal police officers. The Indian Police Academy does not offer the type of tactical training offered by the Marijuana Eradication Reconnaissance Team (MERT). MERT training includes such things as identifying marijuana gardens from the air, repelling from helicopters, etc.

Self-Determination Services

Question: The request for self-determination services is $49,366,000, an increase of $3,387,000. Explain why the amount restored for Central office operations in the base is $353,000, when last year it was $191,000 when it was proposed for transfer.

Answer: In FY 1989, the base funding for the Division of Self-Determination Services was $540,000 and 9 FTE. When the Division was to be merged with Tribal Government Services in FY 1990, $351,000 and 7 FTE were base transferred to Aid to Tribal Government with a resulting decrease of $191,000 and 2 FTE.

Based on the workload associated with the amendments to P.L. 93-638, the Bureau determined that Self-Determination should remain a separate Division. On March 2, 1990, the Committees approved the Bureau's request to reprogram the $351,000 and 7 FTE back to Self-Determination Services. The request for $200,000 in FY 1991 would restore the Division to its FY 1989 operational level.

Question: How exactly will the $200,000 increase in Central office operations be used?

Answer: There are presently two unfunded positions with the Division's approved organization of 6 professionals and one clerical. This increase will permit the Division to be fully staffed and provide travel funds to allow on-site advice and guidance to tribes and Bureau officials.

Question: Does this mean that all technical assistance will be provided through the Central Office? Why?

Answer: No, most technical assistance will still be provided at the Area or Agency Office level by program and administrative staff. Section 103 of P.L. 100-472 provides for tribes to receive technical assistance grants but allows them the option to purchase third party technical assistance or request such technical assistance from the Bureau.

Question: Will there be differences in the purposes for which the core management grants could be used, compared to these grants?

Answer: Small tribes, with population of 1,500 or less, which still need core management type grants, will have access under the Technical Assistance Grants line of the budget. Tribes will also be able to request technical assistance grants for planning, audit resolution, management assistance, etc. based on their needs.

Question: How was the amount you are requesting determined?

Answer: The amount requested for technical assistance grant funds for tribes was estimated on the basis of types of grants previously provided to small tribes, nature of technical assistance historically requested by tribes, and the number of tribes still requiring technical assistance for planning, for program improvement, audit resolution and other purposes.

Question: The budget proposes to delete funding from Area offices ($490,000 and 12 FTE's) and increase technical assistance grants by $2,677,000. Provide a table showing wh re the areas which had funded self-determination training and technical assistance moved the funding and FTE's.

Answer: The following table compares FY 1990 and FY 1991 priorities established by Area Directors in the five areas which had funding in Self-Determination, Training and Technical Assistance.

BUREAU OF INDIAN AFFAIRS
AREA DIRECT OPERATIONS

Program	FY 1990 Aberdeen	FY 1991 Aberdeen	FY 1990 Juneau	FY 1991 Juneau	FY 1990 Muskogee	FY 1991 Muskogee	FY 1990 Sacramento	FY 1991 Sacramento	FY 1990 Portland	FY 1991 Portland
Aid to Tribal Govt	249,000	263,000	120,000	119,000	84,000	49,000	107,000	176,000	150,000	152,000
Community Services			0	124,000			53,000	54,000		
Social Services	166,000	181,000	78,000	83,000	79,000	87,000			80,000	134,000
Law Enforcement	83,000	83,000				100,000			55,000	55,000
Self-Determination	63,000		259,000		73,000		65,000		30,000	
Adult Vocational Trng			74,000	75,000	52,000	53,000			45,000	45,000
Credit & Financing	150,000	172,000	113,000	113,000	79,000	133,000	40,000	40,000	123,000	124,000
Natural Resources,Gen	20,000	33,000	75,000	0			120,000	123,000	40,000	40,000
Agriculture	231,000	197,000			71,000	79,000			124,000	126,000
Forestry			173,000	177,000			120,000	122,000	105,000	115,000
Wildlife & Parks	50,000	51,000								
Minerals & Mining		45,000				45,000				45,000
Trust Services,Gen	90,000	100,000	161,000	130,000	94,000	104,000				
Real Estate Services	456,000	440,000	227,000	150,000	132,000	137,000	155,000	158,000	307,000	307,000
Envir Quality/Rights Protection	30,000	30,000	113,000	125,000	51,000	60,000	88,000	96,000	99,000	105,000
Executive Direction	186,000	186,000	148,000	188,000	111,000	126,000	125,000	127,000	270,000	271,000
Administrative Svcs	1,685,000	1,795,900	1,544,000	1,815,000	377,000	579,500	419,000	563,100	1,469,000	1,507,200
Safety Management									28,000	28,000
TOTAL AREA DIRECT	3,459,000	3,576,900	3,085,000	3,099,000	1,203,000	1,552,500	1,292,000	1,459,100	2,925,000	3,054,200

Contract Support Funds

Question: The request for contract support is $43,946,000, an increase of $1,000,000 from the base. How was the amount transferred to education ($13 million) for the administrative cost formula determined?

Answer: The $13 million transferred to Education was based on actual FY 1989 distributions for Administrative Cost Grants authorized under P.L. 100-297. This amount was increased by $6 million based on the second year of phase-in of the formula and the estimate of additional schools intending to convert to contract or grant status.

Question: Are you expecting a shortfall in 1990? If so, how much?

Answer: The Bureau's anticipated shortfall for contract support funds is $9.4 million of which $4.3 million is for Education Administrative Cost Grants. These figures are based on estimates received from field locations. Until all P.L. 93-638 contracts have been obligated, it is impossible to validate the exact amount of the shortfall.

Question: What is the basis for estimating that a $1,000,000 increase will be sufficient to avoid a shortfall in 1991?

Answer: The FY 1991 estimate is based on historical indirect cost rate data for non-Education contracts. Since contractor indirect cost rates are individually negotiated with the Office of the Inspector General on an annual basis, it is impossible to accurately predict the indirect cost needs. The impact of separating education indirect costs from the pool also cannot be estimated at this time.

Eastern Oklahoma Law Enforcement and Tribal Courts

Question: The request for tribal services/tribe-agency operations is $144,351,000, an increase of $9,519,000. Within tribal courts, there is an increase of $500,000 for Eastern Oklahoma; and within law enforcement, an increase of $1,000,000. How exactly will these funds be used, and how were the amounts determined?

Answer: The Eastern Oklahoma tribes, under the jurisdiction of the Muskogee Area Office, are acting upon the decision found in Muscogee (Creek) Nation v. Donald Hodel, Secretary, U.S. Department of the Interior, decided July 15, 1988, in which the 10th Circuit Court of Appeals determined that the Curtis Act was repealed by the Oklahoma Indian Welfare Act and that therefore, the Muscogee Creek Nation has the power to establish Tribal Courts, with civil and criminal jurisdiction subject to the limitations by statute generally applicable to all tribes.

The Creek Nation currently operates a tribal court using tribal funds. There is no funding at the Muskogee Area or Agencies for services such as CFR courts, police protection, or detention services. FY 1991 is the first time that the Bureau has requested funds for these purposes.

The request for $500,000 for tribal courts will be used to establish three CFR Courts to cover the 42 county jurisdiction. In addition to the Creek Nation requesting funds for law enforcement, we anticipate that four other tribes in Oklahoma affected by the court ruling in 1988 will request funding for law

enforcement programs. The $1,000,000 is an estimate of the cost to fund law enforcement programs for the Creek, Choctaw, Cherokee, Osage, and Chickasaw Tribes.

Muskogee recently hired a Criminal Investigator to set up the projected three CFR Courts and establish positions for FY 1991 to hire police officers and CFR court judges and to make arrangements for detention services through existing State and County facilities. The police officers must be cross-deputized in order to provide services to the checker-boarded areas of jurisdiction within the Eastern part of the State of Oklahoma.

Other Aid to Tribal Government

Question: There is a decrease of $4,334,000 for other aid to tribal government. What are the reasons for the large decreases in the Aberdeen (-$1,502,000) and Muskogee (-$2,237,100) Areas?

Answer: These decreases represent tribal decisions to transfer some of their Tribe/Agency funding into the new line item, Consolidated Tribal Government Program (CTGP) within Tribal Services.

Emergency Shelters

Question: There is an increase of $4,968,000 for social services. Included is $3,500,000 to continue staffing and operating emergency shelters and halfway houses; and $2,000,000 to expand child protection efforts.

Provide a breakdown of how the funds provided previously for the shelters and halfway houses have been used, by location, FTE's, and other cost categories; and how the requested increase will be used. Include the date when each facility opened or will open, including total staffing and cost requirements for each.

Answer: Thus far in FY 1990, $673,671 has been distributed for start-up and operational costs of the 10 shelters which were completed by mid-year and which have negotiated contracts through the appropriate area offices. At the end of the third quarter, the remainder of the funds will be distributed for the start up costs for the remaining shelters which will be completed before the end of the fiscal year. The following table displays the individual shelters and those which have received funding.

The amount requested in FY 1991 will allow a minimum of $125,000 per shelter for operational costs and a prorated share for shelters which begin operation after the beginning of the fiscal year. Since these shelters will be operated by contract, there are no FTE's to be reported.

EMERGENCY SHELTERS

Area	Shelter Location	Scheduled Completion Date	FY 1989 Funds Distributed
Aberdeen	Rosebud Sioux	12/89	$ 71,876
	Oglala Sioux	7/90	
	Crow Creek	7/90	
	Turtle Mountain	10/90	
	Yankton	4/91	
	Omaha Tribe	4/91	
Albuquerque	Santo Domingo Pueblo	7/90	
	Ute Mountain Ute	7/90	$ 50,547
	Santa Clara Pueblo	10/90	
Anadarko	Ft. Sill Apache	2/90	$ 75,000
	Cheyenne Arapaho	11/90	$ 58,578
	Kiowa Tribe	3/90	$ 82,500
	Iowa Tribe of Oklahoma	1/91	
Billings	Northern Arapaho	10/90	
	Northern Cheyenne	1/91	
	Blackfeet	1/91	
	Rocky Boy's	4/91	
Juneau	Cook Inlet Tribal Council	Completed	$ 25,000
	Port Lions	10/90	
	Tetlan Village	7/91	
Minneapolis	Sault Ste. Marie Chippewa	7/89	$ 77,500
	Bay Mills	10/90	
	St. Croix	1/91	
Navajo	Crownpoint Shelter	4/91	
	Chinle	1/91	
Phoenix	Fallon-Paiute-Shoshone	7/90	$ 46,434
	Ute Indian Tribe	7/90	$140,417
Portland	Coeur D'Alene	12/89	
	NW Inter-Tribal	4/91	
	Colville	4/91	
Sacramento	Southern I.H.C. Barona Band of Mission Indians	7/90	$ 45,819
	Toiyabe Indian Health	7/90	
			$673,671

Child Protection Initiative

Question: How exactly has the $4 million provided in FY 1990 for the child protection effort been used? How have the funds been split between Bureau and tribally-contracted programs? Provide details for the record.

Answer: The special child abuse initiative in the Social Services program is designed to decrease the caseload to social worker ratio in order to supply the manpower needed to effectively intervene when children are at risk of being abused or neglected. Beginning in FY 1989, additional funding has been provided for this initiative: $1.5 million in FY 1989 and $4 million in FY 1990. The distribution of the $4 million in FY 1990 was based on area plans which identified key child welfare issues and the staffing and training needs which would address those issues. These issues and plans were identified with tribal consultation and took into consideration the funds distributed in FY 1989.

The specific distribution by Area is provided in the following chart. Area distributions included specific instructions for implementation. New positions have been developed at the Agency, Tribe, and Area level, and training has been provided related to services for families at-risk of child abuse and neglect. The overall intent is to increase the skills and knowledge of the caseworkers in the field, improve coordination of services, and provide the staffing necessary to address the issues. This funding in Tribe/Agency operations allows the establishment of positions and stable funding as long as Social Services remains a local priority.

FY 1990 Distribution of Social Services Initiative

Area Office	Staffing	Training & Other	TOTAL PLANNED DISTRIBUTION	Actual Post-Seq. Distrib.	Tribal	BIA
Aberdeen	$667,000	$50,000	$717,000	$690,000	$214,000	$476,000
Albuquerque	172,000	125,000	297,000	286,000		286,000
Anadarko	275,000	40,000	315,000	303,000	43,000	260,000
Billings	303,000	45,000	348,000	335,000	32,000	303,000
Eastern	321,500	40,000	361,500	348,000		348,000
Juneau	218,800	40,000	258,800	250,000		250,000
Minneapolis	281,000	41,700	322,700	310,000	240,000	70,000
Muskogee	160,000	40,000	200,000	193,000	139,750	53,250
Navajo	100,000	50,000	150,000	144,000		144,000
Phoenix	387,000	40,000	427,000	506,000	403,900	102,100
Portland	473,000	40,000	513,000	494,000		494,000
Sacramento	65,000	25,000	90,000	87,000		87,000
	$3,423,300	$576,700	$4,000,000	$3,946,000	$1,072,650	$2,873,350

Question: How do you plan to use the additional $2 million in 1991?

Answer: The distribution of the $2 million increment of this initiative will be based on a careful analysis of the staffing and caseload data on an agency by agency basis as well as a review of the use they have made of funds distributed in FY 1989 and FY 1990.

Juvenile Detention Facilities

Question: There is an increase of $4,089,000 for law enforcement, including $1,500,000 for the juvenile detention facilities. Provide a breakdown of how and where the requested increase will be used, including dates initial operation for each facility involved.

Answer: There will be no facilities opening in FY 1990. The Bureau has submitted a reprogramming request to Congress proposing the authorization to redirect the $1,500,000 to local tribe/agency law enforcement programs. The FY 1990 supplemental appropriation act transferred $300,000 of this amount for a fishery inventory in the State of Wisconsin.

The FY 1991 budget request includes a total of $3 million for the staffing and operation costs of the two juvenile detention facilities expected to be opened in FY 1991. Specific opening dates are not available at this time.

Pay for Law Enforcement Officers

Question: What is the status of H.R. 498 which requires comparability in pay for BIA law enforcement officers?

Answer: As of May 21, 1990, this bill is still in the House of Representatives.

Question: What is the proposed standard of comparability?

Answer: The proposed standard of comparability would be salaries equal to those paid for law enforcement officers employed by other federal agencies.

Question: If this increase goes into effect, what will be the differential between BIA law enforcement pay and tribal officers' pay, on average?

Answer: It is mandated in 25 CFR, 11.304(J) that tribal police officers must be paid at the same rate as BIA officers. As a result, the Pay Reform Act will apply to tribal officers as well as BIA officers.

Question: Should this be addressed?

Answer: Yes, if the pay reform bill is signed into law, additional funding would be necessary to pay tribal officers at the same rate as Bureau officers.

Question: What is the rationale for including the $1,655,000 for the general increase for law enforcement that Congress provided in 1989?

Answer: Because of the many cost increases incurred and anticipated in the law enforcement programs, the Bureau decided that additional funding was appropriate. An analysis of law enforcement programs which would compare the funding levels to population and land base is currently underway, but no figures will be available until late summer. The continuation of the FY 1989 Congressional increase was used as an estimate.

Question: What average amount of increase will this provide per program?

Answer: This increase will provide approximately $25,000 for each law enforcement program.

Question: What is the reason for the large decrease (-$991,600) in the Albuquerque Area??

Answer: The Bureau has established a new program entitled "Consolidated Tribal Government Program," beginning with the FY 1991 budget formulation process. It allows participating tribes to combine existing contract and/or grants of a similar or compatible nature under a single Consolidated Tribal Government Program Contract. The following pueblos in the Albuquerque Area have elected to establish this program approach and transferred a total of $969,100 from Law Enforcement: Laguna, Picuris, San Ildefonso, San Juan, Santa Clara, Taos, and Tesuque.

Self-Determination Training & Technical Assistance
Tribe/Agency Operations

Question: The amount for self-determination training and technical assistance ($2,187,000) has been deleted. Provide a table showing where the funding in this line item was moved to by the tribes involved.

Answer: Since tribes and agencies determine their program priorities each year within their total base funding, there are changes to all line items and it would be impossible to say where specific funds were "moved".

The following table compares the FY 1990 enacted Tribe/Agency budget by program to the FY 1991 request.

BUREAU OF INDIAN AFFAIRS
TRIBE/AGENCY OPERATIONS
($000)

	FY 1990 Enacted	FY 1991 Request
Scholarships	28,015	26,960
Adult Education	3,211	3,239
TCCC Supplement	916	923
Adult Vocational Training	17,646	16,916
Other Employment Assistance	2,992	2,267
Community Services, General	1,594	2,108
Community Fire Protection	1,140	1,095
Tribal Courts	10,527	10,692
Other Aid to Tribal Govt	20,007	15,835
Social Services	24,488	29,922
Law Enforcement	51,004	56,266
Self-Determination Trng&TA	2,187	0
Self-Governance Projects	1,200	0
Consolidated Tribal Govt Prog	0	9,250
Credit & Financing	3,542	3,678
Natural Resources, General	1,443	1,885
Agriculture	19,615	19,761
Agriculture Extension Svcs	458	446
Forestry	22,429	21,666
Water Resources	2,189	2,014
Wildlife & Parks	6,693	6,454
Minerals & Mining	1,635	1,737
Trust Services, General	397	549
Environmental Quality Svc	661	543
Other Rights Protection	3,029	2,785
Real Estate Appraisals	3,482	3,334
Other Real Estate Svcs	16,361	17,070
Executive Direction	8,239	8,743
Administrative Services	12,352	14,000
Safety Management	246	316
TOTAL TRIBE/AGENCY	267,698	280,454

Economic Development

Question: The request for credit and financing is $2,947,000, an increase of $113,000. Under Central office operations, the budget states that an office will be established in Albuquerque to centralize all direct loan and loan guarantee collections. What will be the size and cost of this office?

Answer: The office will consist of four people and cost approximately $110,000.

Question: What are the sources of FTE's and costs for this effort?

Answer: The FTE's and costs will result from a proposed reorganization and transfer of some functions from the current central office operations.

Question: An increase of $500,000 is requested for a portfolio valuation of all outstanding loans, and a credit management review. Will the same party carry out both of these reviews?

Answer: It is anticipated that the same party would carry out both of these reviews.

Question: What is the basis for the amount requested for this purpose?

Answer: This estimate was based on information received from OMB on the cost of reviews at other agencies.

Question: Are there particular concerns that have led to the management review?

Answer: OMB Circular A-129 requires all agencies with credit programs to undertake an independent credit review. An outside review is consistent with good credit management principles used in the private sector. As of the end of FY 1989, outstanding loans in the direct and guaranteed loan portfolios exceeded $300 million and have never been reviewed by an independent financial firm.

Indian Arts and Crafts Board

Question: The request for the Indian Arts and Crafts Board is $919,000, a decrease of $20,000.

Answer: The FY 1990 add-on of $20,000 was to pay indirect costs for the Blackfeet Tribe. Since the FY 1990 contract has not yet been negotiated, the add-on was not continued in FY 1991. Any indirect costs required by the tribe in FY 1991 will be absorbed within the funds available to the Arts and Crafts Board.

Question: What has delayed the negotiations of the contract with the Blackfeet Tribe for operation of the Museum of the Plains Indians?

Answer: The Blackfeet Tribe has not yet determined what portion of the operation of the museum it wishes to contract, and has not submitted a formal contract application.

Natural Resources, General

Question: The request for natural resources, general is $3,159,000, an increase of $332,000. Of this amount, $100,000 is for a cooperative education program leading to Bachelor of Science degrees in natural resources. Provide more details on how the funds will be used in 1991.

Answer: The program is designed for freshmen and sophomore college students who have expressed an interest in a career in one of the natural resources disciplines, range management, forestry, agronomy, soils, fish or wildlife biology, environmental science, or engineering. The students will be selected and nominated by the school based upon school records and personal interview. The program at Haskell is centered on those students who wish to obtain a BS or higher degree. The program at SIPI is primarily for those students who have chosen a career at the technician level.

Students will enter into a student cooperative program with a Bureau of Indian Affairs Agency Office. The Agency will provide summer employment and on-the-job training for 3 months during the year. The program will also provide funding for books, tuition, transportation from school to the location of employment and a salary at the GS-3 or 4 level during the on-the-job training.

For FY 1991 there will be 10 students involved in the program. The particular Agencies where the students will receive their on-the-job training have not been identified at this time.

Question: What schools will participate with Haskell and SIPI in this program?

Answer: The following universities have Transfer Agreements with Haskell: University of Kansas, University of Arizona, University of Missouri, University of Wisconsin, University of Idaho, North Carolina State University, and Kansas State University.

Question: An increase of $143,000 is requested to support the management staff. What positions will this fund?

Answer: This funding will support the following positions in the Division of Water and Land Resources: Division Chief, Secretary, and Program Assistant.

Question: Where are the offsetting decreases?

Answer: There is a $52,000 decrease in the Water Resources Program. A similar offset was not made in the Agriculture Program since there was a need to fill specialized positions such as Range and Soil Conservationists.

Agriculture

Question: The request for agriculture is $11,770,000, a decrease of $100,000. Included is an increase of $500,000 for the prairie dog control program. Do you still plan to complete the black-footed ferret survey by August, 1990?

Answer: Yes, completion of the ferret study is expected in August 1990.

Question: How will you ensure protection of the ferret's habitat, and ensure that no ferrets are harmed by this program?

Answer: The ferret survey will determine whether the ferret is present within the targeted prairie dog population. Should the ferret be present, consultation with the Fish and Wildlife Service will occur. A joint recovery plan will be developed by the three parties: Tribe, Fish and Wildlife Service, and BIA. The recovery plan will ensure protection of any existing ferret population.

Question: Are you familiar with the studies that show that there is no significant difference in the weight of cattle which graze with prairie dogs as compared to those which graze where prairie dogs have been eliminated?

Answer: Yes. These studies were conducted on winter range near Fort Collins, Colorado, and summer range near Woodward, Oklahoma. These data are small and nonconclusive as to the applicability in other parts of the country. These studies will need to be replicated in the northern Great Plains using similar prairie dog populations to validate the conclusions. Past experience would indicate that prairie dog population density determines the amount of forage available for livestock grazing. Small dog communities with few animals do not have the same impact on available forage as large communities with high population densities.

Question: Has your effort been coordinated with the Fish and Wildlife Service?

Answer: Yes. Discussions with Fish and Wildlife Service (FWS) are ongoing during the planning and implementation phases of the control program. The FWS wishes to use the Indian lands for reintroduction of the ferret. Although the BIA has no objection to the reintroduction of the ferret on Indian lands, it has no authority to proceed with such a program without the appropriate tribal council being in agreement and enacting a resolution requesting such assistance. The BIA cannot, nor can FWS, reintroduce the ferret onto a reservation without tribal concurrence.

The Indian tribes of the northern Great Plains are dependent upon income from their surface resources, range and farm lands, to operate their tribal government. In addition, income from these resources are the primary source of income to the individual Indian land owner and land user. The reintroduction of the ferret would greatly restrict the tribal governments ability to manage and operate their affairs under the policy of self-determination.

There are ample lands under Federal control, Wildlife Refuges, Public Domain lands, National Forest land, National Parks and Monuments in the northern Great Plains where the ferret could be reintroduced without detrimental effects on the Indian land.

Question: Are any other agencies required to review your plans?

Answer: Yes, the Animal and Plant Health Inspection Service (APHIS) within the Department of Agriculture and the various tribal governments involved in the programs are required to review our plans.

Noxious Weed Eradication

Question: There is an increase of $1,270,000 for noxious weed eradication. Has the meeting been held to determine the top priority areas to be controlled in FY 1991?

Answer: The meeting was held during the annual meeting of the Society for Range Management (SRM) in Reno, Nevada on February 14, 1990.

Question: What specifically has been accomplished to date in this program?

Answer: A task force was established in 1988 with representatives from our Area Offices, who requested their field offices to inventory weed infestations on their reservations. Approximately 60 reservations were inventoried and a worksheet for each BIA Agency was prepared and submitted to the Areas. Each worksheet included a list of the top priority target control areas in each reservation, including priorities in terms of species, acreage to be controlled, and treatment methods and costs for consideration by the Task Force. The Task Force met in Billings, Montana in February 1989 to review and integrate the Agency worksheets into a master inventory for each Area. The Area worksheets, which include priority reservations, species and acreage, were in turn reviewed and integrated into a national master plan.

During the SRM meeting in Reno, Nevada in 1990, the plan was reviewed further by the participants' field range conservationists and members of the Task Force. This effort resulted in the preparation of a draft five-year program for the control of noxious weeds on Indian trust land which will be implemented as of FY 1991. FY 1990 appropriated funds were used to support this effort plus a spraying program to suppress hot spots of noxious weed infestation in four Area reservations. The noxious weed treatment season has just begun in the northern plains reservations and will continue until July 1990. The goal of the five-year program is to control all infested areas systematically and intensively.

Question: Why has the number of acres targeted for the five year program been reduced from 1.7 million to 750,000?

Answer: The Task Force established for this program has determined based on the Bureau-wide survey and the priority system described above that certain infested acreage and some species can be controlled through the normal land operations and maintenance programs and do not require inclusion in the five-year control plan.

Question: What is the basis for the specific amount of increases requested?

Answer: The cost per acre to control noxious weeds is estimated to be $50. The five-year plan provides for 50% cost-sharing by Tribes, counties and other local weed-control districts and adjacent land owners and users. Therefore, the amount requested for FY 1991 which is $2,000,000 will treat approximately 80,000 acres out of a total of 485,000 priority acres during the five-year program.

Forestry

Question: The request for forestry is $15,207,000, an increase of $1,736,000. Included is an increase of $2,040,000 for forest development, to eliminate the backlog of reforestation and thinning. How was the amount of the increase determined?

Answer: Forest development activities have been administered to most of the sites with easy access and good benefit/cost analyses that were identified in the backlog of Indian commercial timber lands requiring forest development. The increase in our request for forest development funds is based on our appraisal of the increased costs of forest development activities created by more difficult access and increasing costs of achieving the desired results. Some of the factors that increase the cost of forest development activities are: increases in the number of stems that are removed in thinning and weeding operations, planting sites that require intensive site preparation, and increasing costs of energy, labor, equipment, and chemicals and supplies.

Question: If this level of funding is continued, how long do you estimate it will take to eliminate the backlog, which was begun in 1977?

Answer: If inflation related factors remain constant, the special forest development backlog identified in Fiscal Year 1977 is anticipated to be completed by the year 2001 at the current rate of accomplishment and an annual funding of approximately $10 million.

Question: Do you have a breakdown by location where the backlog has been eliminated, and where the proposed funding in 1991 will be used? If so, provide for the record.

Answer: Site specific information for planning is developed by the Areas and submitted to the Central Office for consideration for funding. We do not maintain this information in a consolidated national form that lists actual locations. With additional time we can submit site specific information regarding all forest development accomplishment and planning reports that have been submitted for funding.

Question: If you don't have the list for the 1991 funding, how do you plan to allocate this increased funding?

Answer: Site specific planning information is developed and prioritized annually by the Areas and submitted to the Central Office for consideration for funding. Funding is then allocated to the Areas based on this planning information and available funds.

Question: GAO recently testified before the Senate Select Committee on Indian Affairs on the BIA forestry program, and stated that use of the 1977 backlog as a basis for providing dedicated forest development funding is no longer appropriate. Do you agree with this statement?

Answer: The Bureau agrees that the 1977 backlog no longer represents a current basis for distributing dedicated forest development funding.

Question: What would be involved in updating the inventory data to determine what the current actual backlog is, including new needs identified since 1977?

Answer: The Bureau of Indian Affairs' Division of Forestry maintains a Forest Program Funding and Position Analysis Report that lists forest development accomplishments and accruals. This report was updated in 1989. Any additional accumulations of forest development inventory information could be added to this report with little effort.

Question: How do you intend to address the problem of inconsistent reporting of accomplishments against the backlog cited by GAO?

Answer: We are aware the Areas have sometimes reported Regular Forest Development accomplishments as Special Forest Development Accomplishments and vice versa. This has caused problems in determining the exact accomplishments of the Special Forest Development program. Both Area and field level personnel have been advised of this problem and given instructions that should ensure accurate reports in the future. In addition, the Division of Forestry is updating 53 BIAM, Supplement 5, the Bureau of Indian Affairs Forestry Manual, to include specific instructions regarding the several reports involved in forest development activities. To accurately determine past Special Forest Development accomplishments, the Division of Forestry plans to request from the Areas corrected copies of previously submitted annual Special Forest Development Reports. Any information regarding forest development accomplishments that was inaccurately reported in the previously submitted documents can be corrected in the new submissions.

Question: There is a decrease of $500,000 for woodland management. The initial funding for this effort was added by Congress in FY 1990. Why are you considering this one-time only funding?

Answer: The Federal government cannot afford to fund every program need, regardless of its worthiness. In light of current budget constraints, other programs were considered to have higher funding priority. Accordingly, funding for the woodlands program was not included in the Adminstration's FY 1991 budget.

Question: How have the funds been used in FY 1990?

Answer: Of the $493,000 available, post sequestration, $300,000 was used for the inventory of a large block of woodlands in the Navajo Area and to fund woodland management positions at Phoenix, Albuquerque, and Billings (for Aberdeen Area) Areas. The professionals in these positions will have the responsibility to coordinate inventory, planning, sale preparation, monitoring, and protection of woodlands in these Areas. The remaining funds were used to implement five woodlands projects located in the Aberdeen, Phoenix, and Albuquerque Areas.

Question: Where have staff been added, and won't they need to continue if tribes with commercial woodlands are to be provided assistance?

Answer: The Phoenix, Albuquerque, and Billings (for Aberdeen) Areas were each allocated a woodlands management position. Only the Albuquerque position has been filled. A vacancy announcement for the Billings position has been issued. Advertisement of the Phoenix position is expected shortly. In the absence of Woodlands funding in FY 1991, these foresters will fill regular forest management positions which are vacant.

Question: Describe the projects mentioned in the budget to evaluate woodland and marketing development projects. Who is carrying out these projects?

Answer: Twenty woodland project proposals were considered for implementation in FY 1990. Funding was available for only five of these projects - three of which involved fuelwood enterprises (two in the Albuquerque Area [Isleta and Ute Mountain Ute] and one in the Aberdeen Area [Rosebud]). A wood-yard enterprise [Hualapai] was also funded in the Phoenix Area. The fifth project funded involved the sale of oak bolts for growing Shiitake mushrooms. This was a project submitted by the Jicarilla Tribe in the Albuquerque Area.

Woodland projects are expected to provide about 20 person years of work and direct personal income of $250-300 thousand dollars in the first year of operation. Product output is estimated at 2400 cords of firewood, 1000 fence posts, and 100,000 oak bolts to be used in the cultivation of mushrooms. The expected returns of first year operations are estimated to be between $750,000 - $1,200,000 in total economic benefits.

Water Resources

Question: The request for water resources is $7,693,000, a decrease of $2,452,000. Explain what is involved in the update of the President's Plan for Review of Indian Water Rights Claims.

Answer: In April 1990, two working groups composed of Area Office and Central Office personnel met to draft two separate plans to replace the 1980 Ten Year Plan for Review of Indian Water Rights Claims which is due to expire in August of 1990.

The first plan addresses the protection of Indian water rights in litigation and negotiation. This plan incorporates by reference the March 12, 1990 Departmental policy statement on criteria and procedures for the negotiated settlement of Indian water rights claims. The objective of this plan is to discuss how United States claims for federal water rights will be prepared and will reflect general methodologies developed by litigating Area Offices in the past 10 years. An appendix to the plan will contain a matrix status report on current and imminent cases in litigation and negotiation relative to the number of studies completed in 16 technical categories, as well as the number of studies which remain to be completed in FY 1991 and outyears. This April draft plan is currently being reviewed and commented on by the Central Office. Once this Central Office action is completed, a second draft will be circulated among the Area Offices for review and comment. Upon completion of Area action, Central Office will finalize the plan and distribute it to Area Offices and Tribes.

The second of the two plans addresses management, planning and pre-development of Indian water resources. The working group's draft report is expected to be submitted to the Central Office for review and comment by early June 1990. It is likely that this plan will focus on several key principles which Bureau and tribal water resources managers should follow: 1) that tribes need to develop comprehensive water resources management plans which contain long term goals and objectives that complement other natural resources management plans; 2) that certain critical categories of technical study must be addressed on a priority basis; and 3) that the Bureau will cooperate with tribes in conducting feasibility studies for the development of water resources for tribal beneficial use.

Both of the above referenced plans are to be completed and circulated among Bureau Areas and tribes after their approval by the Assistant Secretary Indian Affairs in August of 1990.

Question: Explain why the water management budget is reduced by $900,000 because funding which the Congress added in 1990 to the tribe/agency budget for three tribes is being retained in that budget?

Answer: By virtue of FY 1990 add-ons to the IPS Tribe/Agency Water Resources program, a base level of funding was created for the tribes for their on-going water resources management activities. Thus, these tribes don't need to seek funding from the Water Resources program for their ongoing operation.

Question: Have no needs been identified for these funds?

Answer: The Bureau formulates a new list of prioritized projects each fiscal year. Requested prioritized project lists are due from Areas on June 15. The Branch of Water Resources will consolidate and evaluate the Area lists. Based on past program capabilities, we are confident that the prioritized projects can be funded at a reasonable level from within the proposed FY 1991 funding.

Question: What is the basis for assuming $1.5 million of tribal water operation costs will be met by funds from other Federal agencies, such as ANA, Reclamation or EPA?

Answer: The basis is our knowledge that funds approaching this level were made available to tribes in FY 1990. It should be understood that the Bureau's water resources program is one of many sources funded by the Congress to address the needs of tribes in the area of water resources management, planning and pre-development. The Bureau's program, however, remains the largest known source.

Question: How does this compare to amounts provided from these sources in prior years? Is it an increase?

Answer: The amount anticipated in FY 1991 is less than tribes received from these other sources in FY 1990.

In FY 1990, we understand that ANA has funded the Hoopa tribal water management office at approximately $150,000 and we assume that a comparable grant will be made to another tribe for water management in FY 1991. Similarly, EPA funded several Minneapolis Area tribes' water quality management and planning activities at approximately $421,000, and the Standing Rock Sioux Tribe at approximately $17,000. Also, the Bureau of Reclamation funded Yakima tribal water resources activities in the Yakima River Basin at approximately $100,000. This support totaled $688,000.

To this total, we assumed that the remainder of an FY 1990 $1 million EPA fund for Clean Water Act tribal water quality management and planning grants (approximately $562,000) was available for provision to other tribes in FY 1990, thus bringing other Federal Agency support up to a level of approximately $1,267,000.

Upon consultation with EPA's Office of Water Policy, on May 18, 1990, it was verified that, in fact, a total of $2 million was available in FY 1990 for tribal water quality management and planning grants under Section 106 of the Clean Water Act, not $1 million. Further, it was verified that EPA is requesting $3 million for Section 106 grants in FY 1991. As another point of reference, the same EPA Indian program was funded in FY 1989 at $900,000.

Wildlife and Parks

Question: The request for wildlife and parks is $23,482,000, a decrease of $4,486,000. What is being done with the $100,000 provided for unresolved treaty hunting and fishing rights issues in western Washington by the Congress in FY 1990?

Answer: The contract for the $100,000 is still in the negotiation stage with the Boldt Case area tribes. The money is intended to be used by the 20 Boldt Case area tribes (U.S. v. Washington) in defining their shellfish, wildlife, and habitat protection rights and responsibilities.

Question: Why won't these activities need to continue in 1991?

Answer: These activities will continue at an, as yet, undetermined level in 1991, but the Bureau believes that the $50,000 requested in FY 1991 for the Unresolved Hunting and Fishing Rights Program, coupled with other Rights Protection funds, is sufficient to address tribal needs. This $50,000 would be distributed to the highest priority needs based on requests received from the tribes.

Question: Explain why the add-ons for the Quinault, Quileute and Suquamish tribes provided by the Congress in 1990 are not proposed to be continued in 1991?

Answer: In providing add-ons to the Bureau's FY 1990 Budget Request, the Congress did not direct that such funds be carried over into FY 1991. Proposals for these projects have not been received from the three tribes in accordance with standard procedures and therefore have not been reviewed or evaluated by the Bureau.

Question: There is an increase of $300,000 for Lake Roosevelt management. How exactly will these funds be used?

Answer: The $300,000 will be contracted to the Spokane and Confederated Colville Tribes in support of their participation in managing and regulating outdoor recreational activities, development and uses within the reservation portions of the Lake Roosevelt Management Area. Such participation will be coordinated with related programs conducted by the National Park Service, in accordance with the 1990 Cooperative Management Agreement for Lake Roosevelt. The statement of work detailing specific tasks to be performed will be developed during P.L. 93-638 contract negotiations with the tribes. Preliminary Lake Roosevelt operations budgets submitted by the Tribes indicate that funds would be focused in the areas of conservaton enforcement and campground maintenance. Additional tribal wardens would be hired, enforcement boat patrols would be increased, and boat safety, search and rescue, and park maintenance programs would be expanded.

Question: Is it expected that the program will continue at this level of funding in the future?

Answer: It is expected that the $300,000 federal contribution will continue in the future. The Colville Tribal Parks Program is also contributing approximately $252,000 annually for Lake Roosevelt management, and additional supporting revenues should be forthcoming through the collection of camping, boating and other public use fees.

Question: Funds for fish hatchery maintenance are deleted (-$200,000). Provide a list of projects which have not yet been funded.

Answer: Project proposals submitted by tribes in FY 1990 which were not funded are as follows:

Puyallup	Paint fisheries office building	$ 2,000
Muckleshoot	Repair concrete raceways and starter tanks	12,000
Stillaguamish	Fiberglass covers for rearing tanks	5,000
Elhwa	Predator control device rehabilitation at earthen rearing ponds	2,000
Elwha	Improve storage facility for hatchery supplies	4,000
Swinomish	Renovate concrete raceway ponds	4,000
Upper Skagit	Improve water intake delivery system	5,000
Tulalip	Design and construct a retractable net system over rearing ponds	30,000
Quinault	Install predator nets over rearing ponds	5,000
Lac du Flambeau	Facility landscaping	14,250
White Earth	Site paving and landscaping	18,000
Leech Lake	Net maintenance and replacement	3,850
Leech Lake	Upgrade radio communication on hatchery vehicle	4,000
Summit Lake Paiute	Reinforce floor and install linoleum in administration building	3,000
Summit Lake Paiute	Repair doors and winterize administration building	1,500
Summit Lake Paiute	Paint administration building and fish trap facility	1,200
Pyramid Lake	Reroof two residential trailers	8,000
Pyramid Lake	Reroof Numana hatchery	40,000
	Total	$163,200

Question: Why do you consider these projects to be lower priority?

Answer: Priority listings have been developed on an annual basis by the Bureau's Area Offices from proposals submitted by tribes in response to funding made available by Congress. Criteria established for ranking maintenance project proposals submitted by the tribes are: (1) health, safety and security factors; (2) water quality compliance; (3) economic benefits and values; (4) rights protection and co-management responsibility fulfillment; and (5) resource enhancement and restoration. The unfunded projects were ranked lower by the area offices than those projects for which funds were distributed.

Question: There is also deletion of the $200,000 provided for Columbia River tribes to participate in Wild and Scenic Rivers Act follow-up activities. How exactly are these funds being used in 1990?

Answer: The Columbia River Intertribal Fish Commission and its four member tribes, Yakima, Warm Springs, Umatilla, and Nez Perce each received $40,000 to participate in the planning process for the Columbia River Gorge National Scenic Area Act and the Oregon Omnibus Wild and Scenic Rivers Act. The Columbia River Gorge National Scenic Area Act implementation is a continuous process of reviewing proposals for land use and recreational zoning developed by the Gorge Commission staff and the Forest Service. Each tribe and the Fish Commission participates in the review of numerous related land use and recreation zoning documents.

On the Oregon Omnibus Wild and Scenic Rivers Act, only the Umatilla Tribe has worked directly with the lead agency (Forest Service) in drafting river and resource management plans. The Umatilla Tribe with their close proximity to several rivers identified in the Act will continue these efforts. Other tribes likely to be involved this year are the Warm Springs and Yakima as Forest Service river plans become available.

Question: Why won't these funds continue to be needed in 1991?

Answer: The FY 1991 budget includes $100,000 in Tribe/Agency operations (Wildlife and Parks) for continued planning efforts of those tribes (page BIA-187). Tribal participation can also be supported through the budgets of the agencies assigned lead roles in implementing the statutes, notably the Forest Service.

Question: The 1990 base contains $237,000 for formerly F&WS technical assistance. What amount of funding is being provided to the fishery assistance offices in 1990? What are the sources of these funds?

Answer: In response to direction received from the Congress, $1,444,000 of the $1,680,000 amount requested by the Bureau in FY 1990 for FWS Technical Assistance was transferred to the FWS budget. Of the remaining $236,000, $187,000 was distributed to the White Mountain Apache, San Carlos Apache, and Colorado River Tribes, in accordance with the budget request. The $49,000 balance was distributed directly to tribes in accordance with direction received from the Congress, leaving no funds for fishery assistance offices.

In response to a request received from the Montana delegation in January 1990, the Bureau agreed to contribute $70,000 to the Creston, Montana, fishery assistance office. Funding for this purpose is being made available by the Billings Area Office.

Question: How much funding will go to these offices in 1991? Provide a breakdown for the record.

Answer: In accordance with direction received from the Congress on the FY 1989 and FY 1990 budget requests, the Bureau has requested no funds for the ten FWS facilities providing technical assistance to tribes. The FWS FY 1991 budget requests funds for seven of the ten facilities. Funding levels for these and the remaining three offices should be provided through the FWS appropriation.

Minerals and Mining

Question: The request for minerals and mining is $4,557,000, a decrease of $757,000. What is the status of the integrated records management system, aimed at improving the royalty management system?

Answer: The IRMS has been redesigned and the process of field testing and data conversion is beginning. The new IRMS will improve royalty management by fully integrating the data system components (e.g., leasing, ownership and income distribution) required for royalty management into a single centralized data system which provides on-line interactive user data maintenance, query and report capability. The new system provides on-line data verification and error detection, and tightly integrated data quality control across all subsystems. The Office of Data Systems anticipates that the new system will be completed and implemented during FY 1991.

Question: What other accomplishments have occurred in the past year with regard to strengthening the royalty management system?

Answer: The Energy and Minerals program, in coordination with the Real Estate Services program, has planned for the transfer of post-lease oil, gas and mineral lease administration and royalty management functions and activities from the Energy and Minerals program to the Real Estate Services program, in FY 1991. This transfer will properly align Real Estate Services program functions and activities with those conducted by realty personnel at area and agency offices.

Question: Provide details of the costs for the three Linowes positions, which are proposed to be covered by the $75,000 increase for the Central Office?

Answer: This increase will partially fund salaries, employee benefits, and operational costs for the three Linowes positions located in the Denver Office. In previous years, some staff within the Division of Energy and Minerals were funded from the Linowes appropriation which is now being distributed directly to the Area/Agency level. The increase for the Division of Energy and Minerals will be used as direct support to those positions.

Question: How were these costs covered in 1990?

Answer: In FY 1990, $157,047 was allotted to cover three Linowes positions at the Denver Mineral Assistance Office; however, the fourth minerals position remains vacant for lack of funding.

Question: Is there a list of pending requests for mineral assesements by the tribes? If so, provide for the record, and indicate how many will be funded with funds available in 1990 and 1991?

Answer: In FY 1990, tribes requested $6.4 million for mineral assessment studies. Of that amount, approximately $2.2 million was made available to fund the top 13 projects after rating and ranking using the selection criteria established in FY 1989.

	Amount Requested	Amount Distributed	Cumulative Funding (Excluding FY 1990)
Southern Ute	832,563	178,146	$2,335,980
Wind River	290,766	261,053	501,451
Goshute	512,280	353,762	108,000
Annette Island	211,000	195,200	931,500
San Carlos	190,000	164,475	4,233,790
Ft. Peck	686,000	328,000	1,019,572
Duck Valley	70,400		1,001,356
Torres-Mart.	241,000	35,550	
Colorado River	192,750		947,700
Osage	90,000	84,000	750,000
Colville	241,000	130,021	5,385,714
N. Cheyenne	310,000	197,734	
Rocky Boy's	167,551	116,233	880,867
Navajo	876,321		3,863,140
Hualapai	383,000	50,000	4,492,990
Ft. Hall	150,000		1,444,849
Ft. Belknap	250,000	100,000	145,000
Penobscot/Passamaquoddy	301,208		1,554,603
Rosebud	55,000		236,200
Seneca	336,684		
	$6,387,523	$2,194,174	$29,832,712

Question: Why are no Phase III assessments being funded?

Answer: The Division of Energy and Minerals estimates that only 42% of all all Indian lands have received or are in the process of receiving Phase II studies. Therefore, a higher priority is being given to completion of Phase II studies on the remainder of Indian lands so that all tribes have at least a reasonable understanding of the potential mineral resources on their lands before Phase III studies are initiated. The cost to perform Phase III studies is much higher than that required for Phase II studies.

Question: Will any be funded in 1991?

Answer: This cannot be determined until all requests for 1991 are received; however, given the backlog of Phase II studies, we would anticipate only minimal direct funding for Phase III activities. In order to meet some of the needs of tribes for Phase III information, the Division of Energy and Minerals is providing in-house support through economic analyses by existing staff and automated equipment.

Royalty Management

Question: Explain why royalty management is being transferred to the Real Estate division, Central Office? What are the assumed benefits of the transfer?

Answer: The Division of Energy and Minerals' primary function deals with pre-lease activities and geoscience and engineering technical support related to post-lease production activities. Specifically, they assist tribes in identifying potential mineral resources and provide technical expertise on engineering and geology problems that arise after production is initiated. The royalty management function requires expertise in accounting, land records and titles and administration, and in support of large computer systems. These disciplines have historically been performed by the Division of Real Estate Services and the support systems related to their activity. This was the recommendation made subsequent to a task force review of the Energy and Minerals Office in April 1988. The assumed benefits will be matching personnel with the training and experience directly related to the functions to be performed.

Tribe/Agency Forestry Programs

Question: Under tribe/agency operations, there is a decrease of $546,000 for forestry. How have the $322,000 of start-up funds for the Grand Ronde tribe been used in 1990? Do none of these activities have follow-on requirements in 1991 and beyond?

Answer: The FY 1990 start up funds for the Grand Ronde Reservation Forestry Program were used in part to pay off a loan of $168,000. The tribe obtained this loan to start their Forestry Program before Federal funds were made available. The money from this loan went for the purchase of a forestry office building and office furniture plus supplies. The remaining $153,100 was used for the purchase of vehicles, a radio system, interest on the loan, a fire truck for wildland fires and $50,000 for a forest inventory.

All of the on-going costs of Grand Ronde forest management activities can be funded within the funds requested for the Tribe.

Question: Explain why the Menominee Tribe requested their $500,000 forestry program be transferred out of tribe/agency operations?

Answer: The Bureau's responsibility for the Menominee Forestry Program is part of the Menominee Restoration Agreement and is similar to the fishing settlement programs which are included in the non-banded portion of the budget rather than in tribe/agency. The transfer was made at the request of the Menominee Tribe.

Question: Do you agree with the Menominee Tribe that additional funds are needed for the Bureau's monitoring costs related to this effort? Provide details for the record.

Answer: Under P.L. 100-472, the Bureau may not withhold program funds to monitor Tribal contracts. Monitoring of the Menominee Forestry Program would be provided by the forestry staff in the Minneapolis Area.

North Dakota Water Negotiations

Question: What is the status of the water negotiations in the State of North Dakota?

Answer: The Bureau understands that the Three Affiliated Tribes of the Fort Berthold Reservation have agreed with representatives of the State of North Dakota on certain preliminary procedures prior to the start of substantive negotiations, including meetings on an as-needed basis between tribal representatives and State water resources personnel and their legal counsel. Negotiations on substantive issues relative to the objective of developing a water resources co-management scheme have yet to occur pending completion of tribal data and information collection by the Tribes.

Funding for tribal data and information collection began in FY 1990 and is expected to be required through FY 1991. A Departmental negotiation team has not yet been appointed given that data and information are still being collected by the Tribes to support negotiations.

Question: Will additional funds be required for the tribes involved in 1991?

Answer: Yes. One major aspect of the data and information collection referenced above is a ground water investigation on the reservation being done in cooperation with USGS. The Tribe is expected to request funding of $100,000 from the Bureau's Water Resources Management, Planning and Pre-Development program for continuation of this investigation through FY 1991. The remainder of FY 1991 tribal costs for the development of a comprehensive water resources management plan are expected to be met from the Bureau's IPS Water Resources program under which the Tribe's base level of funding is approximately $150,000.

Columbia River Tribes

Question: Where was the $100,000 for Columbia River tribes planning included in FY 1990?

Answer: In FY 1990, Congress added $200,000 to Wildlife and Parks for the Columbia River tribes to participate in planning activities related to the Columbia River Gorge National Scenic Area Act and the Oregon Omnibus Wild and Scenic Rivers Act. In FY 1991, the Bureau requested $100,000 in Tribe/Agency Operations (Wildlife and Parks) for the tribes to participate in planning decisions for the Columbia River Gorge National Scenic Area.

Linowes Positions

Question: Explain what the $122,000 for base transfer of Linowes position is for?

Answer: The Linowes positions at Osage Agency have been funded by an annual distribution from Central Office. This base transfer of $122,000 to Tribe/Agency Operations for the Osage Agency will fund six positions as part of their ongoing agency operation. Position responsibilities include providing technical advisory services to functions involved in oil and gas production, operation and sales; assuring effective communication and coordination regarding oil and gas management activities; and performing oil and gas lease field inspections and site security functions on Indian lands under jurisdiction of the respective agency.

Hazardous Waste

Question: The request for Indian rights protection is $17,560,000, an increase $655,000. Included is an increase of $2,550,000 for hazardous waste. What is the status of the comprehensive inventory of hazardous waste sites on Indian trust lands to be conducted using remote sensing and photographic interpretation?

Answer: These services will be provided through an Inter-Agency Agreement (IAG) which is being processed for signature between the Environmental Protection Agency Photographic Interpretation Center (EPIC) and the Bureau. This IAG will conduct the initial phase of the hazardous waste inventory during FY 1990 by searching available records such as remote sensing data, USGS maps, existing coverage and generate a data base for use to prioritize inventory coverage. This phase will also include description of methodology and site features in a future inventory effort with examples of the coverage on 10 Indian reservations, together with estimated duration and costs to complete the inventory on approximately 190 reservations.

Question: Why are you proposing to use $1.5 million of the increase to clean up one of two known hazardous waste sites? What was the basis of the amount requested? When will the other site be cleaned up? What are the estimated

Answer: In FY 1991, we are planning to clean up two hazardous waste sites, the Masonite Lumber Mill on the Hoopa Valley Reservation, Hoopa, CA, and the Kenwood Dumps on Cherokee Trust lands, Cherokee, Oklahoma. The requested clean up cost estimate is based on $750,000 per site, according to EPA experience with small sites.

Question: How long are they expected to take?

Answer: Clean up of the two sites will take approximately 9 months including procurement lead times and conducting remedial design.

Question: Who will do the studies at the Midnite Mine on the Spokane Indian reservation?

Answer: The study to determine the best reclamation option for Midnite Mine was completed in March of this year by the Bureau of Mines. We are now outlining an action plan based on the recommendations in the study. We do not anticipate a need for additional studies at this time.

Question: What is the status of seeking funding from the mine operator for the costs of this clean up?

Answer: The BIA Portland Area Director notified the mine operator in early May that its rights, but not its obligations, under the lease were terminated. We are now in the 30 day period the company has in which to appeal this decision to the Interior Board of Indian Appeals. If no appeal is made, the company will have 45 days from the end of the appeal period to begin, at its own expense, the process of conserving, repairing and protecting the property.

Question: How was the amount requested for this purpose ($1,050,000) determined?

Answer: The $1,050,000 requested for FY 1991 is in response to an immediate need to begin treating contaminated water contained in two open pits at the mine site before they overflow. Treatment produces a contaminated sludge that, according to the Bureau of Mines report, can be disposed of by burial at the mine site. The request includes $850,000 for the one-time-only cost of preparing a suitable containment facility for this sludge. Our estimated cost for the water treatment itself is $200,000 for FY 1991 and, as necessary, each ensuing fiscal year.

Question: Are there other areas that require clean up that could be addressed if funding were available? Provide details for the record.

Answer: Currently, there are two more CERCLA/SARA sites which are targeted for remedial investigation/feasibility studies in FY 1991 and may require remediation in FY 1992:

Tulalip Reservation Landfill, Maryville, WA, and
Copper Bluff Mine, Hoopa Valley Reservation, CA.

The Tulalip Landfill may be eligible, however, for EPA Superfund-financed clean up based on the recently revised Hazardous Ranking System (HRS). Under this ranking system, the EPA may accord the site a higher risk rating, and it would become eligible for nomination to the EPA National Priority System (NPL). The other site will not be eligible, therefore, the BIA bears responsibility for site clean up.

Question: What is the status of the clean-up of the dump sites on the Pine Ridge reservation under court order in the Blue Legs case?

Answer: The Bureau has transferred its share of the court ordered clean-up costs to our Aberdeen Area Office which is working with the Aberdeen Area Indian Health Service and the Oglala Sioux Tribe to ratify a Memorandum of Understanding to effect distribution of the clean up funds of the two agencies to the Tribe. The Tribe has been designated by the U.S. District Court to take the lead in managing the clean up. The three parties will be meeting on the MOU shortly to reach an agreement.

Question: What funds will be used for this purpose?

Answer: The BIA share of the estimated clean up costs is $185,000 which was provided from the FY 1990 "Facilities Minor Improvement and Repair Construction Program". This represents 50% of total estimated costs of $370,323 which is also shared by the IHS (25%) and the Oglala Sioux Tribe (25%).

Litigation Support and Attorneys Fees

Question: Under Indian rights protection, there are decreases of $1,000,000 each to litigation support and attorneys' fees. What is the current status of each of the situations for which Congress added funds in 1990 (Arkansas Riverbed, Lower Elwha dam removal, and Shoshone Bannock water rights)?

Answer: The litigation support funds appropriated for the Arkansas Riverbed Authority are subcontracted to the Authority through a P.L. 93-638 contract with the Cherokee Tribe. Based on the preliminary survey plats on the riverbed, the funds are being used to accomplish abstract and final title research on several trespass sites.

The funds provided for the Lower Elwha Tribe are incorporated in a P.L. 93-638 contract to conduct and evaluate technical studies, data, reports, and legal research to enable the Tribe to protect its rights related to the fish and wildlife resources, and to participate in FERC and other administrative proceedings regarding the relicensing of the Elwha River hydroelectric projects.

The funds provided for the Shoshone-Bannock Tribes and the U.S. v Oregon case are being used by the Tribes in their appeal of the U.S. District Court's approval of a 10-year fisheries management plan. In FY 1989, the district court granted invervenor status in the case to the Shoshone-Bannock Tribes but rejected their attempt to have the management plan set aside. On January 10, 1990, the Tribes appealed the district court's approval of the management plan. This appeal is now pending in the 9th Circuit Court with no date set as to when the appeal will be heard.

Question: Why won't funds continue to be needed in any of the cases for which Congress added funds in FY 1990?

Answer: Current information indicates the Arkansas Riverbed Authority will request $150,000 in FY 1991 due to the increased scope of work to acquire quiet title and prosecute trespassers. We also expect that Lower Elwha and Shoshone-Bannock Tribes will request additional litigation support funds.

Question: Do you anticipate any of the litigation support funds to be carried over from 1990 to 1991?

Answer: The Bureau does not anticipate having FY 1990 litigation support funds to carryover into FY 1991.

Question: Provide a breakdown of 1989 funding for litigation support and attorneys' fees, showing amounts requested, amounts funded, and reasons not funded, if any.

Answer: The listing on the following page shows FY 1989 litigation support and attorney fees funding requested by and distributed to or on behalf of tribes. Tribes are required to submit applications for the Bureau's review and evaluation. Distribution of attorney fees and litigation support funding is based on the tribe's identified need, justification, and priority when compared to other tribal requests. Priority consideration is given to cases where tribes are in active litigation and/or negotiation.

TRIBAL REQUESTS AND DISTRIBUTION OF FY 1989 FUNDS
LITIGATION SUPPORT AND ATTORNEY FEES
($ in thousands)

Requestor	Litigation Support		Attorney Fees	
	Request	Distribution	[illegible]	Distribution
Alaska Natives	$188	$188	$225	$225
Arkansas Riverbed Authority	50	30	0	0
Cherokee/Choctaw/Chickasaw Tribes	50	50	0	0
Cheyenne River Sioux	25	0	26	26
Chippewa Cree Tribe	2	0	6	0
Coeur d'Alene Tribe	70	0	80	0
Colorado River Indian Tribes	6	0	28	0
Colville Tribe	19	19	50	25
Coos Bay Tribe	70	0	80	0
Confederated Tribes of Coos, Umpqua, and Saliuslaw	17	0	0	0
Fallon Shoshone-Paiute Tribe	20	0	0	0
Fort Belknap Tribe	10	0	50	45
Fort Mohave Tribe	6	0	28	0
Gila River Indian Community	69	40	262	131
Grande Rhonde Tribe	0	0	40	0
Great Lakes Indian Fish and Wildlife Commission	60	60	0	0
Henry Ekada (Equal Access to Justice)	0	0	13	13
Hopi Tribe	0	0	320	280
Klallam Tribe	13	0	0	0
Kalispel Tribe	2	0	12	12
Keweenaw Bay Indian Community	28	28	0	0
Klamath Tribe	10	0	40	30
Mescalero Apache Tribe	8	8	146	99
Mille Lacs Chippewa	18	0	98	0
Muckleshoot Tribe	4	0	80	60
Omaha Tribe	224	125	50	0
Navajo Tribe	0	0	250	160
Nez Perce Tribe	150	0	50	0
Northern Pueblos	40	40	100	100
Pyramid Lake Tribe	59	0	240	208
Quileute Tribe	0	0	25	0
Quinault Tribe	200	200	42	0
San Juan Southern Paiute	167	100	384	60
Shoshone-Bannock Tribe	18	0	187	78
Shoshone-Paiute (Duck Valley)	35	0	167	70
Southern Pueblos	0	0	39	0
Southern Ute Tribe	8	7	52	38
Spokane Tribe	100	100	50	50
Suquamish Tribe	4	0	13	0
Three Affiliated Tribes	81	0	63	35
Ute Mountain Ute Tribe	0	0	60	60
Totals	$1,831	$ 995	$3,356	$1,805

Real Estate Services

Question: The request for real estate services is $13,281,000, an increase of $3,024,000. When was the joint effort among Bureau Reclamation, National Park Service and BIA to survey joint boundaries initiated?

Answer: There are two different efforts. The first is for common boundary surveys of BOR and BIA-managed lands within the Animas LaPlata Project, and the second is for common boundaries of NPS and BIA-managed lands on the Pine Ridge Indian Reservation and the Badlands National Park. Planning for both projects was initiated in Fiscal Year 1989. There is no joint effort involving all 3 bureaus.

Question: Where are they being conducted in 1990, and what are the plans for 1991?

Answer: The BOR-BIA survey work will commence in Fiscal Year 1990 with $140,000 of BOR and $40,000 of BIA funding. Fiscal Year 1991 funding of $140,000 from BOR and $140,000 of BIA is anticipated. The NPS-BIA work will commence in Fiscal Year 1990 with $25,000 of BIA funding; NPS funding of $25,000 will likely be deferred until Fiscal Year 1991, with the amount of BIA Fiscal Year 1991 funding being contingent upon NPS meeting its commitment of the "deferred" (FY 1990) funding. The maximum BIA Fiscal Year 1991 funding would be $50,000.

Question: There is an increase of $450,000 for the Central Office, including $332,000 transferred from the minerals program for a new branch office to administer oil and gas leases.

Was the $132,000 transferred from the minerals special projects program the total amount spent for lease management and royalty distribution functions in 1990? If not, what were the total costs?

Answer: No, $132,000 was not transferred from the minerals special projects program for lease management and royalty distribution functions in FY 1990. In FY 1990, the total cost of $200,000 was transferred from the minerals special projects program for the purpose of land records verification and IRMS lease quality control activities within the Division of Real Estate Services. The $132,000 in question is proposed in the FY 1991 budget as a base transfer to the Division of Real Estate Services.

Question: How many positions were assigned the functions of this new office in the past? What will happen to those positions?

Answer: Three individuals performed royalty related functions outside of their official position duties which corresponded to the administration of oil and gas post-leasing activities. In FY 1989, all positions were abolished due to budget constraints and the decision that post-leasing activities did not justify full time positions.

Question: There is a transfer of $118,000 between land records improvement and central office operations. Explain in more detail what is involved in the consolidation of realty functions.

Answer: In FY 1989, the Central Office Division of Real Estate Services consisted of a staff of approximately 19--13 were being paid out of Real Estate Services, Central Office; five were being paid out of Unresolved Indian Rights; and one was being paid out of Land Records Improvement. The effort which started in FY 1990 was to affect a consolidation of realty functions as well as to consolidate personnel and administrative costs into one line of the budget. In FY 1990 we made an internal transfer of funding from Unresolved Indian Rights to Real Estate, Central Office Operations, to effect the consolidation of the staff who handle Unresolved Indian Rights; however, no funding was transferred to cover the personnel and administrative costs for the Branch of Land Titles and Records. In FY 1991, it is proposed that $118,000 be transferred into Central Office Operations to fund the Branch of Land Titles and Records which will be expanding its staff and responsibilities during the next two fiscal years.

Question: What is the impact on staffing?

Answer: There is no impact on current staffing.

Question: There is an increase of $2,291,000 for land titles and records offices. Where are the five land titles offices located?

Answer: The five Land Titles and Records Offices are located at the following area offices: Aberdeen, Albuquerque, Anadarko, Billings, and Portland. Also, there are three Title Service Offices located at the Juneau, Eastern and Muskogee Area Offices.

Question: Provide a breakdown of staffing and costs for each, and show how the requested increase will be used.

Answer: The staffing for each Land Titles and Records office as of January 1990 is shown in the following table:

Land Titles and Records Program Staffing Table

Land Titles & Records Program Offices	Permanent Positions	Term Positions	Temporary Positions	Total Positions
Aberdeen	22	4	4	30
Albuquerque	14	6	6	26
Anadarko	10	--	5	15
Billings	14	1	9	24
Eastern	3	--	--	3
Juneau	5	--	--	5
Muskogee	12	--	--	12
Portland	13	--	7	20
Sacramento	8	--	6	14
Program Totals	101	11	37	149
Percent of Total	68%	7%	25%	100%

The breakdown of costs for each Land Titles and Records Office is shown in the following table:

Land Titles & Records Program Offices	Personnel Costs	Operations & Contract Costs	Total Costs
Aberdeen	$ 600,000	$ 19,000	$ 619,000
Albuquerque	411,000	57,000	468,000
Anadarko	486,000	19,000	505,000
Billings	698,000	104,000	802,000
Eastern	140,000	9,800	149,800
Juneau	180,000	9,800	189,800
Muskogee	212,000	9,800	221,800
Portland	462,000	218,100	681,000
Sacramento	160,000	9,800	169,800
Program Totals	$3,349,900	$456,300	$3,806,200

The requested increase will be used to pay the regular Land Titles and Records program personnel and operating costs.

Question: Why are the FTE's reflected separately from the funding?

Answer: Although the distribution of Land Titles and Records program funds and Land Records Improvement program funds is based at the Central Office program office, the Land Titles and Records program offices are area office-based programs and all FTE are reflected at the area office level.

Question: How much of the funding in the land records improvement program has been used for this purpose in the past?

Answer: The FY 1986 to FY 1990 funding history of the Land Titles and Records Program, including the Land Records Improvement Program funds used to supplement the Land Titles and Records Program, is graphically represented on the chart on the following page.

Since FY 1987, the following Land Records Improvement funding amounts have been used to supplement the Land Titles and Records program funding:

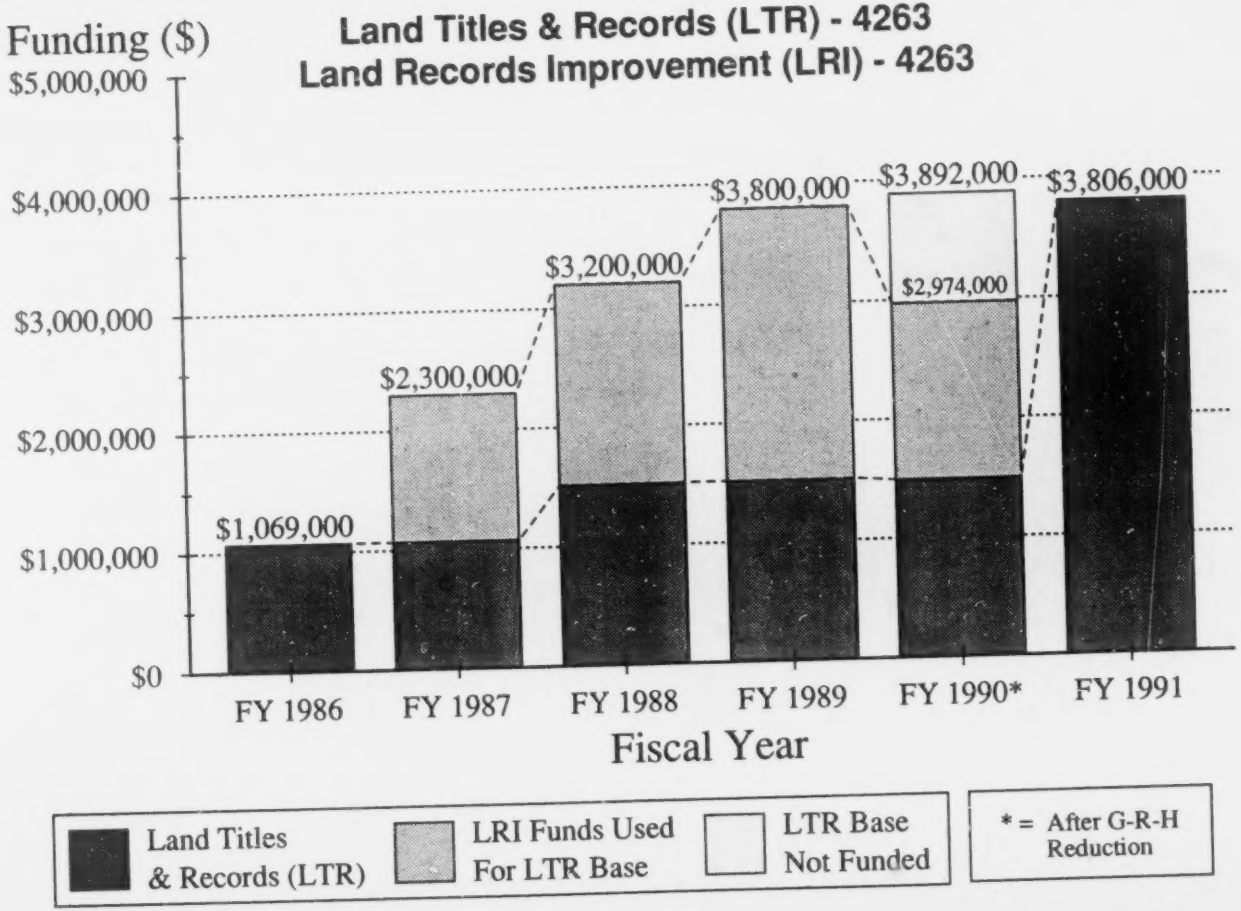
Fiscal Year	Land Titles Improvement Funds Used for Land Titles and Records
1987	$1,231,000
1988	$1,685,000
1989	$2,285,000
1990	$1,480,000

Question: What is the comparable amount in 1990?

Answer: The comparable amount of Land Records Improvement program funds used to supplement the Land Titles and Records program in FY 1990 is listed in the preceding table and graph.

Question: How will ~~these~~ funds be used in 1991?

Answer: In FY 1991 all funds requested for the Land Titles and Records program will be used to pay the regular personnel and operating costs of the Land Titles and Records program.


Land Titles & Records (LTR) - 4263
Land Records Improvement (LRI) - 4263
Funding ($)
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
$1,069,000
$2,300,000
$3,200,000
$3,800,000
$3,892,000
$2,974,000
$3,806,000
FY 1986
FY 1987
FY 1988
FY 1989
FY 1990*
FY 1991
Fiscal Year
Land Titles & Records (LTR)
LRI Funds Used For LTR Base
LTR Base Not Funded
* = After G-R-H Reduction

Probate Backlog

Question: There is an increase of $1,000,000 for probate backlog reductions. What exactly will be involved in reducing the backlogs?

Answer: The specific work involved in reducing the subject backlogs includes documenting the fact, time, and frequently the circumstances, of an individual death; locating wills and witnesses; conducting extensive research to identify probable heirs and their qualifications to inherit the property in trust; conducting intensive land title and fiscal research to prepare real and personal property inventories; determining which properties qualify for escheat to the respective tribe; ascertain possible indebtedness; recording claims against the estate; etc.

Question: What is the basis for the amount of $1 million requested?

Answer: Statistics, received in March 1990 from 68 Bureau of Indian Affairs and contracted tribal offices, indicate that there are approximately 4,184 identified Indian estates involving trust land that are awaiting research, data compilation and transmittal to the Department's Indian Probate Judges. Assuming that in probating the 4,184 estates, an estimated 2,092 additional estates will be identified, 6,276 estates are now pending in the Bureau of Indian Affairs. Based on an average cost of $500 for the Bureau to prepare an estate, it will cost $3,138,000 to perform the necessary work, and an estimated $105,000 in administrative costs (a sum of $3,243,000) to eliminate the existing backlogs. Logistical considerations limit the request to $1,000,000 for the first year.

Question: At this level, how long will it take to reduce the backlogs now in existence?

Answer: Assuming our estimates prove accurate, it will take between three and four years to reduce the backlogs now in existence.

Question: What impact do the backlogs have, if not cleared?

Answer: There will be increased liability on the part of the United States for lack of timely probate (Dull Knife v. Morton); the current owners of Indian trust lands will remain unknown, and, therefore, income from the property will remain undistributed; Federal costs of maintaining estate accounts will increase; with the passage of time, there will be greater difficulty in locating the probable heirs, thereby adding to future research costs; and the possible escheat of certain fractional interests to Indian tribes, as authorized by statute, cannot be ascertained.

Financial Trust Services

Question: The request for financial trust services is $11,895,000, an increase of $2,780,000. Of this increase, $2,250,000 and 20 FTE's are for Central Office operations, to staff the office of the Deputy for Trust Funds and the divisions of trust income collections and supervised accounts. Are there existing positions already assigned to these offices? If so, describe them for the record.

Answer: The Office of Trust Funds Management was created to bring together in a single organization the various entities performing trust fund management functions. Two existing organizations, the Division of Trust Funds Management, Office of Trust and Economic Development, and the Branch of Trust Funds Accounting, Office of Administration, were transferred to the new Office when it was created. The Division of Trust Funds Management has been renamed the Division of Trust Fund Investment and the Branch of Trust Funds Accounting was renamed the Division of Trust Funds Accounting. These two organizations are currently staffed to execute the responsibilities their titles indicate. The Division of Trust Funds Investment invests the funds held in trust, provides technical information to operating offices and account holders regarding these investments, and services as the custodian of investment instruments. The Division of Trust Funds Accounting is responsible for maintaining the accounting system which reports on activity associated with each account, for account reconciliation, and for disbursement of funds from accounts.

The Office of the Deputy for Trust Funds Management and two new divisions were also established, and it is for these new organizations that the additional funding and FTE are requested. Thus far, the Bureau has established the Deputy for Trust Funds Management, a Program Analyst, a Secretary, and an Implementation Manager in the Office of the Director. The Implementation Manager position has been filled by detailing an employee into the position; none of the other three positions has been filled.

Question: Provide a breakdown of the request showing staffing and other costs.

Answer: The $2,250,000 requested for the Office of Trust Funds Management is broken down as follows:

- $1,380,000 for personal services
- $180,000 for support costs such as travel and office supplies
- $260,000 for relocation costs of employees hired from outside the Albuquerque commuting area
- $180,000 for equipment for the Office
- $250,000 for annual financial statements to account owners

Question: Which staff will actually be responsible for preparing the long range financial plans for the Individual Indian Money accounts in the field?

Answer: The new Division of Supervised Accounts will be responsible for developing the policy and procedures for preparation of financial plans for monies held in trust in Individual Indian Money accounts in the field. These accounts are held in trust for minors or are supervised for some other reason, and the Bureau is responsible for developing long-range financial plans for the account holders. The Bureau prepares these plans in consultation with the parents or guardians of minors and with the person designated to oversee the other controlled accounts. The Division of Supervised Accounts will also provide direction in the development of strategies for investment of the funds held in Individual Indian Money accounts.

Question: Are there adequate staff to accomplish this?

Answer: We believe the staffing pattern proposed for the Division of Supervised Accounts will, in concert with the Agency Superintendents and the Area Directors who actually supervise controlled accounts, be sufficient to accomplish this.

Question: How long is it estimated that this effort would take?

Answer: The Bureau's responsibility for preparing long-range financial plans for the Individual Indian Money accounts in the field is an on-going responsibility. The accounts are not static. As income to and expenditures from these accounts affect the individual's holdings, it is necessary to develop new, or modifications to existing, plans for the accounts.

The Bureau's plans for reconciling, auditing, and certifying these accounts so that long-range financial planning can be done on a more accurate basis will require a three to five year effort. Each of the more than 300,000 accounts will have to be reconciled to source documents, the reconciliation work audited, and the account balances certified to the owners before the Bureau will be satisfied that present account balances are accurate. We propose to contract for this reconciliation and audit work beginning in late FY 1990, but we do not anticipate the contractor(s) to be finished with all accounts for some time.

Facilities Management

Question: The request for facilities management is $87,161,000, a decrease of $242,000. The amount included for GSA and direct rentals is $13,035,000, about $900,000 over FY 1990. What is the reason for the decrease in GSA-provided space from 1,233,000 sq. ft. last year to 1,168,000 this year?

Answer: The decrease in GSA provided space reflects the BIA commitment to reduce usage to an average of 135 square feet per employee.

Question: Explain the basis for the increase over FY 1990, given this decrease in space.

Answer: While base program square footage has decreased, rental rates for GSA-provided space as well as direct rentals space has increased. The BIA has been required to reprogram funds for the last two years to pay GSA bills.

Question: There is an increase of $535,000 for area office operations. What amount of existing facilities O&M funding has been used in 1989 and 1990 to support area office operations? Provide details for the record.

Answer: In FY 1989 and FY 1990, funding was provided in the amount of $3.776 million and $4.163 million, respectively under Area Offices in Facilities Management. With implementation of the O&M formula, actual funding for different functions was determined by each location. As a result, it appears that approximately $320,000 for Area staff was charged to existing facilities O&M funding. Therefore, an increase in the Area Offices staffing program element was included in the FY 1991 request to more appropriately fund Area Offices operations.

Question: Is there an offsetting reduction from existing facilities O&M for this increase?

Answer: The Existing Facilities O&M funding request for FY 1991 includes adjustments reducing the amounts previously provided for area office staffing under this line.

Question: How was the actual amount of increase determined? Provide details for the record.

Answer: In determining an appropriate funding level for Area Office staffing in FY 1991, the Department requested that, as far as possible, detailed information from each area pertaining to the actual FTE and amounts devoted to this requirement in the previous year be gathered for consideration. As noted above, an additional $320,000 was required in FY 1990 to fully support Area staffing over the FY 1990 funding level. Additionally, efforts are underway to fill critical vacancies in several areas, primarily Navajo and Phoenix.

Question: There is a decrease of $850,000 for existing facilities. What has been your experience with the first year of the O&M allocation formula?

Answer: As directed in the Conference Report (Number 99-1002 dated October 15, 1986) accompanying the FY 1987 Appropriations Act for Interior and Related Agencies, a report on the status and implementation of the O&M allocation formula is currently under review in the Department for submission to the Committees. In summary, the status is as follows:

The O&M formula was used for the first time to allocate FY 1990 O&M funds. In order to provide for a phase-in period for locations which would experience significant reductions by virtue of using the formula, locations and schools which would incur significant losses were allocated additional funding to keep them within 85% of their FY 1988 obligations (1988 data was the last data available at the time the formula allocation was being prepared). For FY 1990, 21 locations were provided adjustments to the formula amount for a total cost of $309,066. This adjustment is reflected in the $65.8 million allocated. It is anticipated that this type of phase-in adjustment will be used for specific locations, if necessary for a three-year period. However, as locations are expected to gradually come in line with averages for Bureau-wide operations, the level of adjustments required will decrease in FY 1991 and FY 1992. The locations have been notified of the situation and asked to adjust their operations to fit projected levels of funding.

The formula methodology can be used as both a budget formulation and allocation tool. The factors listed above, such as utilities and preventive maintenance, are used to determine requirements for buildings and equipment. These requirements are based on industry standards and reflect age and condition. Furthermore, adjustments are included for isolation to reflect the additional costs of activities for facilities located at appreciable distance from service centers. The facilities management information system is used to store and update data and to run cost estimates.

The formula identified total O&M requirements of $68,069,000. The total appropriations for FY 1990 for new and existing facilities, using the formula allocation, and including the additional appropriation for inflationary increases, totalled $68,021,000. However, this amount was reduced to $67,098,000, as a result of Gramm-Rudman-Hollings sequestrations, thereby having the effect of negating the inflation increase.

The following costs have been covered within the amount available. In FY 1990, $881,591 has been allocated for increased utility costs or rate adjustments experienced (propane and fuel oils accounted for a major portion of this due to severe weather early this winter). Approximately $1,500,000 in wage and benefit increases for wage rate employees has occurred in the past year. $500,000 of this has been allocated to cover a portion of these wage rate costs. These amounts are reflected in the table below.

FY 1990 O&M Funding Requirements

Formula Generated O&M Requirements:	
Grant Schools	$ 9,655,000
All Other Facilities	57,223,700
	66,878,700 1/ 2/
Operating Reserve	140,300
Utility Increases and Wage Rate Adj	1,050,000
Total O&M Requirements	$68,069,000
O&M Funding Resources:	$67,098,000
DIFFERENCE	$ 971,000 3/

1/ Approximately $500,000 of wage rate increases were included herein.
2/ O&M for new facilities included here.
3/ Includes Gramm-Rudman-Hollings adjustment of $923,000.

It should be noted that until recently, the O&M activity also included funding to cover various requirements not otherwise covered in Area staffing and direct rentals. This has been alleviated by recent funding increases of approximately $1.5 million in the Area staffing and direct rental budget activities to more accurately fund these requirements. As a result, the magnitude of the difference noted above has been somewhat eased as these costs would otherwise have further depleted O&M resources.

Question: Are you revising the formula as a result of your experience?

Answer: As a result of research to date on the formula developed, future adjustments will be necessary for GSA car rentals, additional isolation factors, and additional funding for guard services. Earned leave and employee benefits costs will also receive adjustments in FY 1991 since they were not fully reflected in the FY 1990 allocations. A decision has also been made to separately identify special education classes and no deductions will be made for under utilization of this category of space.

Question: Explain in more detail what savings have been realized, and how they tie to the specific decrease proposed in this program.

Answer: As noted, the O&M activity previously included funding to cover various requirements not otherwise covered in Area staffing and direct rentals. This has been alleviated by recent funding increases of approximately $1.5 million in the Area staffing and direct rental budget activities to more accurately fund these requirements. Approximately $400,000 was estimated to be saved in O&M costs which otherwise would be expended in FY 1991 from O&M initiatives which were funded late in FY 1988. Also, based on FY 1988 and FY 1989 excess space reduction accomplishments, it was estimated that the 393,201 square feet removed from the inventory in FY 1989 and the planned reduction of over 300,000 square feet in FY 1990 would produce the remaining estimated savings ($450,000).

Question: There is an increase of $273,000 for new facilities O&M. Have there been any changes in the list of facilities which will become operational in 1991, or the timing? If so, provide for the record.

Answer: There is no change in the list of facilities which will become operational in 1991.

Question: There is a decrease of $200,000 for initiatives/training. How exactly do you plan to use the balance of this funding ($1.3 million) in FY 1991?

Answer: There will be a continued emphasis in expanding the apprenticeship program, training in operation and maintenance, and in safety activities bureauwide. With regard to O&M initiatives, the same type of projects will be undertaken as in FY 1990, including energy retrofit projects, space consolidation, utility systems enhancements (particularly where utility transfers may be possible). As in the past, these initiatives will be based on benefit/cost analysis indicating repayment in a four to five year period.

General Administration

Question: The request for executive direction and EEO is $4,497,000, an increase of $1,290,000. Included is $215,000 for Congressional and legislative affairs and public information. Explain why $55,000 is needed to support the current staffing level of Congressional and Legislative Affairs.

Answer: The increase is needed to cover the salary costs of staff currently on board and does not represent additional staff.

Question: Why are three additional positions needed in public information at this time? How exactly will the $160,000 requested for this office be used?

Answer: The Bureau currently has only one Public Information Officer which is well below all other bureaus in the Department of the Interior. The increase of $160,000 will fund the hiring of three additional positions so that we can be more responsive to inquiries from the public and the media.

Question: There is also an increase of $1,000,000 and 20 FTE's for the Office of Audit and Evaluation. Why does the Bureau need this separate audit capability, instead of relying on the Inspector General?

Answer: The Inspector General will still be depended upon to provide auditing services for the Bureau. The primary focus of the Office of Audit and Evaluation will be to coordinate and assist with audit resolutions, provide assistance in matters of internal control, and provide leadership in conducting administrative reviews and the necessary follow-up.

Question: Do other Bureaus or agencies in the Department have similar staffs? Provide details for the record.

Answer: Other Bureaus within the Department have offices whose primary responsibilities are to do reviews of field operations, but they do not have offices with functions as comprehensive as the Bureau plans for the Office of Audit and Evaluation.

Question: Do you have an existing internal review staff? If so, describe it and its functions.

Answer: The Bureau has one individual who coordinates and tracks internal

Question: Where are the two positions now established to coordinate these activities located? What is the source of funding?

Answer: The Bureau's position which is responsible for follow-up of OIG audits is located in, and paid from, the Division of Management Services. The position which is responsible for internal control efforts as found in OMB Circular A-123 is on the staff of the Director of Administration.

Question: How was this level of staffing, and the associated amount of funding, determined? Provide details for the record.

Answer: The Office of Audit and Evaluation will be staffed with professional, administrative, and clerical staff as described below:

Director	Senior Executive Service
Deputy Director	GM-15
Writer-Editor	GS-13
Secretary	GS-08
Chief, Administrative Division	GM-15
Analysts (6)	GS-13
Secretary	GS-07
Chief, Indian Programs Division	GM-15
Analysts (8)	GS-13/14
Secretary	GS-07

The six analysts in the Administrative Division will be specialists in the areas of personnel, accounting, contracting, property, and ADP. The eight in the Program Division will specialize in natural resource programs, economic development, construction/engineering, and tribal government development. Multiple disciplinary job classification series will be used to ensure the broadest possible coverage of the programs and administrative disciplines to be reviewed with some positions possible falling into the more generalist program analyst or management analyst classification series.

The FTE requested will be responsible for (1) developing, scheduling, conducting, and documenting administrative procedures reviews to ensure that Bureauwide standards, systems and procedures are adhered to in all administrative activities such as accounting, personnel, property management, automated data processing, and procurement; (2) developing, scheduling, conducting, and documenting program evaluations which will measure the effectiveness and efficiency of operating programs in establishing and meeting goals and objectives as mandated in legislation and as perceived by Indian tribes and Bureau program managers; (3) identifying, selecting, and obtaining administrative and programmatic expertise to participate in the review and evaluation activities; (4) coordinating the activities of the Office of Audit and Evaluation with those conducted by external organizations such as tribal organizations, Congressional Committees, the General Accounting Office, and the Office of the Inspector General; and (5) providing followup to reviews conducted, whether by the office or others, to ensure that corrective actions are taken in a systematic and timely manner and that results of corrective actions actually resolve the problems identified.

Question: The request for administrative services is $42,938,000, an increase of $2,200,000. How will the administrative review teams coordinate with the new audit and evaluation staffs for which the increase discussed above is requested?

Answer: The new Audit and Evaluation staff will provide direction, leadership, and coordination for the review effort with some team members being assigned by the present administrative staff. The staff will be responsible for follow-up after the review, resolution, and distribution of information to managers.

Question: There is a request of $748,000 for accounting management, for the costs of 28 positions resulting from the consolidation of accounting operations in Albuquerque. How were these 28 positions approved?

Answer: In 1988, the Committees on Appropriations approved the reorganization of Accounting Management which had been proposed in July 1987. The consolidation of certain functions in Albuquerque, NM was accomplished in June 1988.

Question: Were the additional costs associated with the positions made known at that time?

Answer: The costs of the centralized accounting operations were known at the time of the initial submission of the reorganization request which was submitted in the summer of 1987. As Congress had expressed several concerns with respect to the request, additional funds were not included in the FY 1988 budget.

Because the Area Offices were aware of the proposed consolidation in 1986, a number of Areas moved funds from Administrative Services to other program areas in formulating their budgets. Over a two year period, area offices moved the funding for accounting positions to other programs since they had unmet needs in other areas and assumed that any excess funding for accounting positions following the reorganization would be transferred to support the centralized operation in Albuquerque.

During consideration of the reorganization request, Congress expressed concerns about remaining area staffing levels at several locations. As a result of these concerns, the final reorganization did not move all the positions originally planned (although the staffing levels proposed for Albuquerque were not changed), and 12 new GS-13 accounting officers were added to Area Offices. As a result of the time lag and the changes in Area staffing, by FY 1989 which was the first full fiscal year of the new structure, the $328,000 excess at the Areas which had lost accounting positions was sufficient to cover only the costs of accounting staff at Areas which had gained positions. None of these funds were transferred to the centralized operation in Albuquerque. To fund the on-board positions in Albuquerque during FY 1989 and FY 1990, it has been necessary to divert money from the Central Office budget, contracting, personnel, and management support staffs which has left a number of vacancies in these offices and negatively impacted the services which they are able to provide.

Question: Provide a breakdown of how the funds will be used?

Answer: The funds will be used entirely for salary and benefit costs. Even with the increase of $748,000, the Division will have an average of only $26,714 per employee for salary and benefits which is an average of a GS-7's salary and benefits.

Question: How are you currently covering the costs of the payroll operations staff? Provide a breakdown of these costs.

Answer: The costs of the payroll operations staff are being funded by diverting money that would otherwise be available for the central office budget staff. The actual costs of the payroll operations staff in FY 1989 were:

Personnel services and benefits	$251,902
Travel	697
Supplies	10,537
All other costs	13,887
Total	$277,013

Question: There is an increase of $863,000 for Departmental assessments. How was the funding for the Drug-Free Workplace Program determined?

Answer: The Department developed the budget required to operate the program, and each bureau is charged in proportion to the number of positions in the bureau which have been identified for drug testing.

Question: When will this program be initiated?

Answer: The program was initiated in FY 1989.

Question: What is the basis for the $500,000 requested for the crime incident reporting system?

Answer: The Uniform Federal Crime Reporting Act of 1988, P.L. 100-690, mandates "the Federal Bureau of Investigation to compile nationwide criminal statistics for use in law enforcement administration, operation, and management and to assess the nature and type of crime in the United States." The Bureau estimates the cost of the modification to the existing reporting system to be $500,000.

Question: What exactly will be involved in modifying your current reporting system to generate the reports required by law?

Answer: Computer programming modifications will have to be written, tested, and loaded in the system throughout the country.

Question: Is this a one-time only request?

Answer: Yes, it is a non-recurring cost.

Office of Data Systems

Question: The request for automatic data processing is $20,663,000, an increase of $2,350,000. How many of the 125 positions in central management are currently filled?

Answer: Currently, 82 of the 125 positions in central management are filled. An additional 20 positions are in the recruitment process.

Question: What is the status of equipment acquisition for the geographic information system in 1990?

Answer: During FY 1990, all equipment has been acquired as planned. This includes additions to the disk memory on the minicomputers, expansion of the digital image processing system, acquisition of modems, a digitizing table, additional graphics terminals, and operational maintenance.

Question: How much will be spent on this effort in total?

Answer: Like any other computer operation, GIS requires maintenance and update. The present budget of $500,000 approximates the maintenance and update costs associated with the current technology. GIS will be a continuing expense and as the use of the technology expands, these costs can be expected to increase proportionately.

Question: Why are you proposing the deletion of five of the program elements?

Answer: The Bureau proposes to reduce the number of program elements to more closely align the categories identified in our budget justification with the four general categories of expenditures.

Question: What has been accomplished to date on the hardware modernization plan?

Answer: The ADP modernization plan consists of upgrading the CPU in an IBM compatible environment; replacing the Burroughs B1900s, upgrading the GIS Prime computer, and modernizing assorted peripheral equipment. Documents relative to the CPU and B1900 upgrades have been submitted for Departmental approval. Currently, documents for upgrading the Prime computer are being developed for departmental approval.

Pre-solicitation documents are being prepared by contractors for the CPU upgrade and the Field Equipment Replacement programs. We anticipate that these documents will be available for submission to the Department by June 1. Once Departmental approval is received, the actual acquisition process can begin. Our objective is to award these contracts prior to the end of this fiscal year.

The Prime computer upgrade is an engineering change request to an existing consolidated contract. Once departmental approval is received, the enhancements can be accomplished. Assorted peripheral devices will be modernized as the need arises in future fiscal years.

Question: How much has been spent to date on it, and how much will you spend in FY 1991?

Answer: To date, we have spent $1,291,161 in FY 1990. We anticipate spending $4,052,000 in FY 1991.

Question: Under decentralized system support, what is involved in establishing an outreach and technical information transfer program at the area office level?

Answer: The major activities to be accomplished in establishing an outreach and technical information transfer program at the Area Office level include the following:

- °Develop Area/Agency ADP support requirements
- °Identify tasks to be performed
- °Develop proposal for new organizational structure to provide most efficient use of resources
- °Prepare job descriptions and recruitment actions
- °Locate work space
- °Acquire work equipment (desks, chairs, etc.)
- °Acquire ADP support equipment (PC's, software, etc.)
- °Pilot, test, and implement the project.

Question: How many staff do you now have at the area offices involved in establishing an outreach or technical transfer? Provide details for the record.

Answer: At this time, there is no outreach or technical transfer program located at any area office. We currently have no staff involved in this function.

Question: Explain what the image processing feasibility study involves.

Answer: This study requires analysis of the land records requirements of all Bureau offices related to land activities. The BIA maintains a large number of land related documents which not only do not expire, but continue to grow in ever increasing quantity. In addition, the Bureau is experiencing an increasing number of local, state, and Federal judicial system requests for land records documentation and information support.

This analysis of the Bureau's paper management requirements will involve consideration of how the Bureau could make use of image processing technology to reduce the volume of paper and paper storage requirements while improving the level of service to our clients. The study will result in the identification of alternative solutions and recommendation of an alternative. Implementation of the selected alternative will result in improved land records service, meeting requested ADP service requirements, reduction of paper and storage space and ultimately, better service to our in-house and external clients, individual Indians, Tribes, states, courts, non-Indians and companies doing business with Tribes.

Question: What is the connectivity project? How much do you plan to spend on it?

Answer: The Connectivity Project will support the transitional growth to an online transaction distributive processing environment. The anticipated cost of the following tasks is $300,000:

- °Needs Assessment
- °Feasibility Study
- °Requirements Analysis
- °Capacity Planning
- °System Configuration
- °System Implementation

Question: How much do you intend to spend on the needs assessment? What is its purpose?

Answer: The anticipated cost of the needs assessment is $50,000. The purpose of the needs assessment is to identify the scope of the connectivity project. The assessment will evaluate the current technology and provide the base data for future connectivity implementation plans.

Question: A report on plans for carrying out the Departmental review recommendations was submitted to the Committee in late April. What is the status of the contract for a formal long-range strategic ADP plan? Why is this needed? What will it cost, and when will it be available?

Answer: The acquisition request for this proposed contract has been forwarded to Finance for budgetary approvals. It will then be returned to the Contracting Officer for his review and signature.

A strategic ADP plan is required by the Department of the Interior's Office of Information Resources Management (IRM) for each DOI agency. We estimate that the plan will be completed 60-90 days after contract award.

Question: Explain what the upgrades needed by the Amdahl mainframe central processing unit involve. Do you have a cost estimate?

Answer: The upgrades needed for the Amdahl include additional memory and DASD. The Amdahl is running at 100% of capacity now and that is only achievable by scheduling users. This type of service is very unsatisfactory to the users and impacts their service delivery to Tribes. In addition, Amdahl has announced that they will not provide maintenance service to the current CPU after February 1991. The CPU must be replaced by a machine capable of providing approximately 400% of what is currently provided to meet the near future needs of the BIA. The estimated cost for these upgrades is:

12 Megabytes Memory	$60,000
60 Gigabytes DASD	$600,000

Question: When will the Buy-Indian vendor complete the nationwide requirements analyses to replace all Bureau B-1900 minicomputers?

Answer: This procurement seeks to provide Bureau Information Management Centers (IMC) with replacement equipment capable of stand alone processing; integration with the installed Amdahl 470/V8 CPU or its replacement at the National Technical support Center (NTSC) in Albuquerque, New Mexico; and communications management of existing terminal networks in the respective area IMC locations.
BIA plans to use the services of the Federal Systems Integration and Management Center (FEDSIM) to manage this acquisition, which will be based on functional specifications provided by BIA. This acquisition will be classified as a "Buy Indian" procurement. The requirements analysis is scheduled for completion in June 1990.

Question: How old are these computers?

Answer: These computers are approximately 10 years old.

Question: Why haven't cost/benefit analyses been completed on the replacement of the B-1900's and the Amdahl CPU upgrade, prior to initiating these efforts?

Answer: Benefit/cost analysis information is being prepared concurrently with the CPU replacement and field computer acquisition. It will be made available as soon as it is completed.

Question: What is meant by "the diminution of the Washington, D.C. central office staff"?

Answer: In the past 18 months, the number of filled positions on the ADP Central Office staff has been reduced by 50 percent as a result of people leaving the Bureau. We are now actively recruiting candidates for 8 of the 15 vacant positions.

Question: How exactly do you plan to address the continuing problem with lack of integration between ODS and BIA offices?

Answer: The Office of Data Systems will continue to endeavor to communicate with the client community.

Question: There is an increase of $2,948,000 for data telecommunications. Haven't there been telecommunication costs included under central system support? If so, how much?

Answer: The costs for data telecommunications have, to date, been included in both the Central Management and Central System Support program elements. The exclusion of these costs from ADP related expenditures and the addition of the Data Telecommunications program element is meant to acknowledge, distinguish, and provide better tracking of this category of costs. For FY 1990, data telecommunications costs are estimated at $2,417,000.

Question: How have the four staff positions been paid in the past?

Answer: On the past, the four Data Telecommunications staff positions were funded through the Central Management program element.

Question: Where have the data telecommunications costs been budgeted in the past?

Answer: Data telecommunications costs have been included in the Central System Support program element.

Question: Provide a breakdown of the request by element.

Answer: The data telecommunications funds requested for FY 1991 are as follows:

Travel	$ 6,000
Rentals, Communications & Utilities	2,181,900
Other Services	242,100
Equipment	306,000
Supplies	8,000
Compensation	204,000
	$2,948,000

Question: There is an increase of $252,000 for central system support. Do you intend to spend any funds for software development and training in FY 1991?

Answer: The Central System Support program element includes $700,000 for software development and training for FY 1991. These funds will be used to support the development of and training for an application to provide tribes with the ability to track their investments. The funds will also support the 1081 Reconciliation project and a GIS interface to the IRMS.

Question: Will any funds be spent on field system equipment replacement?

Answer: Funds in the amount of $1,200,000 are included in the Central System Support program element to support the costs of the second and final year of the field equipment replacement project. During FY 1991, these funds will be used to procure, equip and integrate with mainframe computer equipment, state-of-the-art ADP hardware and software at Information Management Centers.

Employee Compensation Payments

Question: The request for employee compensation payments is $11,449,000, the same as the base. What are your plans for reprogramming any funds to make up the Gramm-Rudman reductions in 1990?

Answer: Estimates for employee compensation payments are based on prior year billings by the Department of Labor. The final billing for any fiscal year is generally not received until months after that fiscal year has closed. Near the end of the fiscal year, the Bureau will review billings to date to determine if additional funds will be needed in FY 1990. If so, it would be our intention to use year-end unobligated balances from whatever sources available.

OCM - Utility Systems Inventory

Question: The request for program management is $7,755,000, an increase of $800,000. Included is $4,218,000 for construction management. What is the status of the utility systems inventory, for which $510,000 was provided in 1990?

Answer: The funds for this study were appropriated under Construction Program Management (General Administration) which funds the administrative and staff costs for the Facilities Management Construction Center (FMCC) in Albuquerque. In FY 1990, funding was provided to staff the environmental and building code compliance organization. This staff is responsible for environmental and safety issues and oversees the asbestos evaluation required under the AHERA legislation.

However, it became clear that the full costs of the comprehensive utility system inventory would greatly exceed the original estimates, and that there were insufficient funds to provide for both the staffing and the contract. Therefore, it was determined that the utility system inventory would be funded from the Minor Improvement and Repair (MI&R) program. Reprogramming to accomplish this was included in the reprogramming letter of July 20, 1989. By the time the reprogramming was approved, there was not sufficient time to award a contract through the Bureau. As a result, OCM provided Phase I funding from available Office of the Secretary funds in order to initiate at least this phase of the contract. Phase II and III are still proposed to be funded from MI&R in FY 1990 and 1991 if necessary. A reprogramming letter to this effect was submitted to the Committees on April 9, 1990.

Question: Will it continue in 1991? If so, what is the cost?

Answer: As noted above, a reprogramming letter dated April 9, 1990, has been submitted to the Committees for funding of the effort under the MI&R program in FY 1990 and FY 1991, if necessary. Depending on the final contract award, the total cost is estimated to be $400,000 to $600,000.

Question: If not, how will those funds be used in 1991?

Answer: If the utility system inventory contract is completed in FY 1990, MI&R funds would be utilized to address projects that have been prioritized to continue the reduction of existing work backlog.

Education Program Management

Question: The request for education program management is $3,537,000, an increase of $1,050,000. What is the justification for an increase of $100,000 for travel and related expenses for the central office staff?

Answer: The Bureau has long realized the importance of a data base and plans to hire a statistician to collect and analyze education data to determine growth in achievement, attendance and enrollment trends, and standards compliance. The Bureau believes it will be in a better position to predict declining enrollment, encourage student achievement, design programs to accommodate student needs, and prevent student dropout.

Question: How many staff persons will share in this increase?

Answer: The Bureau plans to hire a statistician and a program analyst.

Question: There is an increase of $400,000 for education research and evaluation. How many vacant positions do you intend to fill in the Office of Planning, Oversight and Evaluation? How many FTE's will this result in?

Answer: The Office of Planning, Oversight and Evaluation in the Office of Indian Education Programs will be reactivated and expanded. Currently, only one position in the Branch is filled with a professional educator. The expanded office will consist of five professionals and two secretaries. A portion of the funds will be used to contract for specialized evaluation processes as well as the cost of travel to the evaluation sites.

Question: Will none of the evaluation funds under management and administration be used for education programs?

Answer: The funds will be used to evaluate education programs, but not to fund such programs.

Question: How do you intend to assess student, teacher, and principal performance?

Answer: Monitoring teams consisting of effective Bureau administrators, Chapter 1 staff, Special Education staff, education consultants, Facilities Management staff, and personnel from State Departments of Education, where appropriate, will visit schools and monitor and evaluate their programs. Schools will be evaluated on the basis of their test scores; attendance rates; dropout rates; letter grades given; number of students retained in grades; results of student, staff and parent surveys; percentages of the student body in special programs; and findings of other school reviews. In addition, each school will be evaluated in regard to its strengths and weaknesses for each of the eight Effective Schools correlates which researchers have found to be evident in schools that work. A checklist has been developed for evaluating schools on the eight correlates.

Each school will also be monitored in regard to meeting Bureau standards and/or appropriate State or regional standards as well as compliance with Chapter 1 and Special Education rules and regulations and Facilities Management standards.

Question: What will be involved in the study of professional staff development?

Answer: The monitoring and evaluation process will assist the Bureau in gathering much needed information about what types of staff development are available to teachers locally, what kind of parent involvement is taking place, and what type of training is offered to the dormitory personnel. Summary reports can be compiled after the information has been gathered from individual schools and the Bureau will use the information to forecast the types of training needed. The process will also provide information on the strengths in our schools.

Question: What are the intended uses of the data that you intend to collect on all aspects of the lives of Indian children attending Bureau schools?

Answer: The data will be used to assist schools in reaching the goal of Indian Education which is to "meet the national norms in achievement by the year 2000." The information will provide systemwide data on test scores, dropout rates, number of students in special programs, etc. The statistician will also be investigating and helping to implement alternative measures of student achievement besides standardized achievement tests. This is not a new undertaking in education as it is in concert with activities of State Departments of Education. The expansion of data will also help assess teacher performance in Bureau schools.

Question: There is an increase of $600,000 for monitoring and evaluation. Isn't the information the review teams will validate already available, such as student/teacher ratios, adherence to standards, etc.?

Answer: Schools report annually on their perceived compliance with the standards. As the drafters of the first standards compliance report discovered, there are many interpretations of the standards and a variety of ways in which they are applied. The increase will provide for site visitations to validate some of the data which is already available. The process has been piloted at eight schools in FY 1990 and has provided a comprehensive look at each of the schools. The process includes having each school develop an action plan for school improvement based upon the findings. The action plans have timelines and individuals are assigned responsibility for various improvement activities.

Question: How exactly will these funds be spent? Provide details for the record.

Answer: The funds for monitoring and evaluation will pay for travel of the monitoring teams. It will pay for consultants who will be members of the teams, experts who are not a part of the Bureau system.

Question: Will contract schools be included in the review?

Answer: All schools--contract, grant, and Bureau-operated-will be included in the evaluations. One of the eight pilot schools is a grant school.

Question: An increase of $200,000 is requested for the volunteers program. Have any of the proposed activities been funded in the past? If so, what has been the source of funds?

Answer: Existing volunteer activities have been funded at the local level. The Bureau has not provided funds for such activities.

Question: How will these funds be allocated?

Answer: The schools will apply for funds to train volunteers, provide transportation, and pay other related costs. The applications will include a description of the kinds of activities the school expects to fund, the amount of funding saved by the use of volunteers, and the benefits to be derived.

Question: What is meant by "promoting opportunities for volunteers to support non-educational activities" at post secondary schools, tribal colleges, etc.?

Answer: The Bureau anticipates that the post-secondary schools and TCCC's might use the funds to offer seminars with nationally recommended speakers on topics subjects which would enhance the students' educational experience. The costs of travel for volunteer speakers would be covered. The students in these schools might also be encouraged to do volunteer work themselves in the local community. Costs of training and transportation could be funded from this line item.

Consolidated Training Program

Question: The request for the consolidated training program is $1,040,000, an increase of $200,000. What has happened to the in-service training program, which was funded at $509,000 last year?

Answer: In-service training, developmental training designed to improve the technical skills of employees, was combined with the High Potential Employees Development Program.

Question: Why has the high potential employees development program increased to $584,000 from $130,000 last year?

Answer: As stated above, in-service training is now included in this program. Further, there is an increased emphasis and priority for the faster development of in-house talent to fill the skills, knowledge and experience drain caused by retiring or otherwise departing employees.

Question: Will the Bureau's women and minorities training program differ from the program in the rest of the Department?

Answer: Yes. Generally, affirmative employment programs within the Department of the Interior encompass efforts to improve representation of various groups (i.e., women, Hispanics, Blacks, Asian/Pacific Islanders, and American Indians). Because of the effect of Indian preference statutes and policy on the filling of jobs in the BIA, the Bureau's affirmative employment program focuses principally on strategies to improve the underrepresentation of American Indians, both men and women, in certain occupational categories and grade levels.

The Bureau's women and minorities training program, a joint undertaking by EEO and Employee Development, will seek to correct the above noted imbalances. It is envisioned that this program will significantly improve the ability of under-utilized women to compete successfully for positions of greater responsibility. We believe that it is a more efficient and cost effective strategy to develop internal human resources in addressing the imbalance than it would be to recruit candidates from outside sources in competition with other Federal agencies and private industry.

Funding for Agency Superintendents

Question: The request for tribe/agency operations is $23,059,000, an increase of $1,676,000. How is the funding for the agency superintendent's office determined?

Answer: Agency superintendents, in consultation with tribal officials, propose the budget for all tribe/agency programs, including the budget for the superintendent's office.

Question: Do the tribes in each agency have the right to determine the level of funding for the agency superintendent?

Answer: Tribes have no right to determine the superintendent's salary or that of his clerical staff as those positions are subject to Federal salary scales. The Bureau of Indian Affiars has 86 agency and sub-agency offices. There are 170 FTE funded under tribe/agency executive direction, which is an average of just two positions per agency for this function. The positions are generally the superintendent and a secretary.

Salary and benefit costs for 86 superintendents, at an average grade of GM-14, would total approximately $5.4 million annually. Salary and benefit costs for 86 GS-5 secretaries would total about $2 million. As the total budget request for tribe/agency executive direction is $8.7 million, after salary costs, only $1.3 million (or $15,000 per agency) is left to pay for travel, supplies, equipment, and other office expenses.

Question: Under administrative services, explain the reasons for the significant increases at Juneau ($262,600) and Phoenix ($577,200).

Answer: In both cases, the bulk of the increases were the result of transferring contracting functions formerly funded under Self-Determination, Training and Technical Assistance, to Administrative Services where Contracting Officers are more appropriately funded.

Question: Beginning on p. 20, there is a discussion of changes to the base. Explain what is involved in the $2,860,000 adjustment for the incremental costs of operating the Department's accounting system (FFS).

Answer: The FY 1990 budget was prepared based on the assumption that the BIA would implement FFS in October 1990. A review of funding requirements to bring up the system by that date indicated that the Bureau would have to reprogram more than $3 million during FY 1990. Due to other unanticipated expenses, such as the conversion to FTS-2000, funding shortfalls in contract support and General Assistance, and the impact of the sequestration, the Bureau felt that such a reprogramming would not be possible this year. Implementation has, therefore, been delayed until October 1991.

The following table shows the differences between FFS costs in FY 1990 and FY 1991:

	FY 1990	FY 1991	Change
Personnel	$ 655,000	700,000	+ 35,000
Equipment	28,030	2,140,000	+2,111,970
Training	14,245	855,000	+ 840,755
Data Processing	150,000	400,000	+ 250,000
Systems Enhancements	517,725	140,000	- 377,725
	$1,375,000	$4,235,000	$+2,860,000

Administrative Efficiencies

Question: There is a decrease of $2,862,000 for savings due to administrative efficiency. Do each of the reductions making up this total represent 5% of the base funding involved, i.e., for consultants, travel, etc.?

Answer: The reductions were based on 5 percent of the estimated FY 1991 expenditures in the affected categories.

Question: What impact are these adjustments expected to have on programs, if any?

Answer: The reductions will negatively impact the ability of the Bureau to fulfill its mission. Given the fact that Bureau employment has decreased by 25 percent over the past eight years, reductions in overtime simply means that some portions of some jobs will not be accomplished. Travel reductions make it difficult for the Bureau to monitor contracts, to attend meetings at the request of tribes, and to conduct business in a large, decentralized organization.

Question: There is also a decrease of $2,559,000 due to staffing efficiency, and a decrease of 49 FTE's. How realistic are these estimates, and the possibility of achieving them in the manner the budget assumes, i.e., by filling vacant positions at an average of one grade lower than previously filled?

Answer: Almost 900 full-time permanent positions were vacant in the Bureau of Indian Affairs as of January 1990. Further delays in filling positions will simply exacerbate this problem. Fifty-five percent of all Bureau employees are now in grades 7 and below. Filling each vacant position at one grade lower would reduce our average grade to a GS-5, which would surely be the lowest average grade for any Federal agency.

Question: There is an increase of $4,811,000, which represents 40% of the pay raise costs, with 60% to be absorbed. What are the amounts to be absorbed by BIA and by tribal contractors, and what is the expected impact?

Answer: The total cost of the Federal pay raise for the Operation of Indian Programs account is $12,027,500 of which $7,216,500 must be absorbed. In simplest terms, absorbing 60 percent of the pay costs means that for every 25 employees this year, the Bureau or the tribal contractor will be able to hire only 24 employees next year.

Alaska Resupply Program

Question: There is a decrease of $10,000 for transferring the Alaska Resupply program from a current to a permanent appropriation. Explain why this transfer is being made. What impact will the change from a current to a permanent appropriation have?

Answer: The Alaska Resupply Program has been operated entirely on user charges for a number of years. Any excess of income over expenses has been lapsed into the General Fund of the Treasury. Since these are not Federal direct appropriations, it would be more appropriate to provide a permanent appropriation for the receipts which would allow the Program to retain funds for use in a future fiscal year.

Question: What legislative action is required in order to put into effect this transfer?

Answer: The only legislative action required is to provide a permanent appropriation for the receipts.

Construction/Buildings & Utilities

Question: The request for buildings and utilities is $35,258,000, a decrease of $3,217,000. Included are funds for two school construction projects. What is the status of the project that was ranked second on the priority list (Coeur d'Alene), for which no funds have been requested?

Answer: Coeur d'Alene was initially ranked for consideration in the FY 1990 budget, but prior to publication questions were raised on the validity of data. Therefore, a second validation was necessary prior to construction. Since the level of construction funding had been set within the budget process, the Department decided to partially fund Pine Ridge which was the next school on the priority list. After the revalidation was completed, Coeur d'Alene was again ranked as number 2 on the priority list. The administration, however, was reluctant to delay the second phase of the Pine Ridge project for another year.

Furthermore, late in the fall of 1989, discussions were begun between the Coeur d'Alene Tribe and the surrounding school district, Plummer School District, about the possibility of developing a cooperative agreement and making improvements to the public school building in order to accommodate the Coeur d'Alene children.

Question: Has a contract been let for the Pine Ridge High School? If so, what was the contract amount?

Answer: The programming phase of the contract (which included the validation and education specification data) was awarded on May 9, 1990, to Mechanical Technology Engineers, Billings, Montana, in the amount of $61,384. Design of the project will start after completion of the programming phase, sometime in August 1990.

Question: What impact has sequestration had on the funds available for this project (Ph. I) in FY 1990? Will this create a problem?

Answer: The project has not been impacted. The sequestered amount has been absorbed in the project's contingency budget line item, therefore actual construction funds have not changed.

Question: Are there additional school projects on the priority list that are ready to go to construction in FY 1991? If so, provide a list, and related funding, for the record.

Answer: The next projects on the FY 1991 priority list are:

Coeur d'Alene School
Santa Clara Day School (approximately $4.3 million)
Zia Day School (approximately $4.6 million)
Tiospa Zina (approximately $8.3 million)
Pyramid Lake (approximately $3.6 million)
Rock Point Community School (approximately $5.7 million)

Based on site validations performed at these locations, consideration may be given to possible FI&R projects to adequately address some of these needs. For example, Coeur d'Alene School needs could be met through a cooperative arraugement with the nearby Plummer Public School District, where renovation of the public school facility could be considered as an option to new school construction.

Additionally, the site validation at Santa Clara school indicates that FI&R work may be a viable approach to meeting the needs at this location. Given the lateness in FY 1990, and the fact that design has not been initiated on any of these projects, it is unlikely that they could go to construction in FY 1991.

Question: The Lummi Tribe testified regarding an explosion in the Lummi Tribal school building. Do you have funds in FY 1990 to address the emergency needs of the school? What are your plans?

Answer: Presently, the Tribe and the Bureau are assessing various options available for utilizing FY 1990 Facilities Improvement and Repair (FI&R) funds to address the Lummi school problems. One option under consideration is the purchase of modular classrooms in combination with renovation of a Tribal community building for classroom use. Once a determination is made by the Tribe regarding the most effective use of existing FI&R funds, the project can move forward.

Question: What additional funds will be needed in FY 1991? Does the budget contain funds that can be used to address this need?

Answer: Until the Tribe determines which option they wish to pursue, it is not possible to determine if additional funds will be required. There are no funds requested in FY 1991.

Question: The Zia Pueblo testified that they ranked second last year in the priority ranking, but that a later ranking dropped them to seventh place. Why was the ranking for this school changed?

Answer: There was only one priority ranking for the Zia Pueblo new school application. This was published in the Federal Register on September 18, 1989 (Volume 54, number 179), and was based on the site validation performed as well as tentative recommendations of the new school construction evaluation panel. In the new school application evaluation process, an evaluation panel, composed of senior staff from OCM, OIEP, and FMCC made tentative recommendations for site validations based on the evaluation criteria established in the September 18, 1989, Federal Register. Based on this, site validations were performed and a priority ranking list was compiled for further funding consideration. The Zia application was ranked fifth.

Question: What is the status of the school's expansion to include 7th and 8th grades? When will new facilities be required to house the additional students?

Answer: Public Law 100-297, the Indian Education Act Amendments, specifically authorizes expansion of grade levels from kindergarten through the eighth grade at the Zia school. Although the expansion has been authorized, the current facilities would not adequately provide the additional space required by such an expansion. The Tribe has submitted an application for new school construction in the FY 1992 process, and the expansion needs are under consideration in this process.

Question: The Puyallup Tribe testified as to the need for a new facility. Has an application been submitted and ranked for this school? If so, what is its ranking?

Answer: In November 1989, the Puyallup Tribe submitted an application for new school construction at the Chief Leschi School Complex for consideration in the FY 1992 process. Accordingly, a site validation will be undertaken and final priority ranking determinations will be made in FY 1990.

Question: The Pinon Community School has testified regarding its need for new dormitory construction. Are applications for new dormitory construction now receiving equal consideration with applications for new classroom construction?

Answer: The ranking of all new school construction applications is based on the criteria established in the May 22, 1979 (Volume 44, Number 100) Federal Register. In this process, dormitory applications receive the same evaluation against the established criteria as any other new education construction requests. Applications will not be excluded solely because they are for dormitory construction. As with all applications, consideration of "unhoused" students is a major determinant in the ranking. In that regard, dormitory requests, such as the one presented by Pinon Community School, may obtain a high ranking by the evaluation committee if the students are considered to be "unhoused" in the event that classroom space would not otherwise be available to the student body due to impassable roads or other influencing circumstances. If validation of information provided by Pinon indicates that these may be potentially "unhoused" students, a high ranking is possible.

Question: How do you intend to comply with the requirement that all dormitories be brought up to established criteria?

Answer: It is expected that the needs of dormitories will be addressed through the FI&R program. As major improvements are made to dormitory facilities, they will be brought into compliance with established criteria. Regulations specify that occupants must be housed such that no more than 4 students are allowed in each sleeping room. Also, the regulations require specific per pupil square footages and furnishing requirements. In order to remain within compliance with these regulations, partitions will be placed in the barrack style dorms. Alternatives such as additional construction may also be considered in the event that the capacity to house occupants is lessened by partitioning in current facilities. Any new dormitories or additions to existing facilities will be in adherence with the regulations and basis of 4 occupants per room.

Question: Where is the report that was due May 1 on this subject?

Answer: The BIA Office of Indian Education Programs has drafted a report that is currently in the clearance process.

Question: There is an increase of $2,500,000 for law enforcement projects. What is the status of the PONI studies for which funding was provided in 1990?

Answer: It is intended that the top ten ranked juvenile detention center projects authorized under P.L. 99-570, the Anti-Drug Abuse Act, undergo PONI planning studies during FY 1990. Of those, the following are complete: Cheyenne River Sioux Tribe, Oglala Sioux Tribe, Tuba City (Navajo), Chinle (Navajo), Crownpoint (Navajo), and Kayenta (Navajo). PONIs are scheduled prior to the end of the fiscal year for: Ute Mountain Ute (July, 1990), Tohono O'odham Nation (September, 1990), and Mississippi Band of Choctaw Indians (July, 1990).

Question: What in particular is the status of the Colville facility?

Answer: This facility was ranked fifth in the June 7, 1989 list published in the Federal Register by the BIA Law Enforcement Services Division. The House and Conference reports accompanying the FY 1990 Appropriations Act for Interior and Related Agencies directed that "funds will be sufficient to conduct the necessary Planning of New Institutions (PONI) studies for at least the first five detention facilities on the list, including Colville, and to award at least one architectual and engineering design contract."

Accordingly, a study will be undertaken for this facility. A Statement of Work for contracting the study is under development, and based on the findings in the, a determination will be made regarding construction. As part of the study, it is expected that all alternatives which may be available to address the needs at the location will be explored and considered in decisions for further construction. Therefore, decisions to proceed with any construction efforts, including planning and design work, are dependent on the findings of the studies, and cannot begin until the studies are complete.

Question: What is the basis for the amount included for construction? How many facilities do you expect to fund with this request?

Answer: The $2.5 million requested in FY 1991 will be combined with the balance of other available juvenile detention funds to construct the projects in ranked order. The exact number of projects which will be constructed will not be known until the scheduled PONI studies are completed. One of the products of a PONI is a project construct budget. However, it is anticipated that the $2.5 million should fund one or possibly two small projects.

Question: What is the basis of the proposed detention center construction process guidelines?

Answer: Although a priority listing was provided in the June 7, 1989 Federal Register for tribal applications by the BIA Law Enforcement Services Office, final decisions regarding a detention center planning process for adult/juvenile jails not authorized under P.L. 99-570, the Anti-Drug Abuse Act, have yet to be determined by the Department. A process which may parallel the new school construction process is under consideration; and it is anticipated that the PONI approach will also be applied as a basis of detention center construction determinations. As noted in the March, 1990 "Report on Comprehensive Detention/Treatment Centers" submitted to the Congress jointly by BIA, OCM, and the Indian Health Service (IHS), new detention center planning should be a coordinated effort, using the Eagle Butte Center as a model for consideration of addressing social detoxification needs.

Question: Will this request be expended in accordance with those guidelines?

Answer: The $2.5 million request in the FY 1991 President's budget is for construction of juvenile detention centers, as authorized under the P.L. 99-570, the Anti-Drug Abuse Act, rather than for adult/juvenile centers. These funds will be spent on the construction of those top ten ranked PONIs for juvenile centers which will be completed in FY 1990. Guidelines for adult/juvenile centers (not based on the Anti-Drug Abuse Act) are still under consideration, as noted above.

Question: Would it be possible to start construction of any additional facilities, if funds were available? If so, how many and at what cost?

Answer: It is expected that 1 or 2 juvenile detention projects can be constructed with the $2.5 million requested in FY 1991. Additional construction of the other projects with PONIs completed in FY 1990 would be possible if available funding was identified and the Bureau determined these to have a high priority.

Question: The Cheyenne River Sioux testified that an additional $1.4 million will be needed to complete the original design of the Eagle Butte detention facility, including the detoxification facility, and the tribal court component. Is this amount required in order to fund the facility as planned in the PONI process?

Answer: Planning of the Eagle Butte Detention Center was based on new generation design concepts, in which construction of a facility to meet immediate needs within available funds is possible -- yet, the design is in place for expansion to accommodate future requirements, if funding is made available. This design is based on the PONI study, which included recommendations based on the Tribe's desire for additional facilities to accommodate a court component. The project, as currently funded, will adequately provide for the current detention and social detoxification requirements, but does not include the tribal court component.

Question: What will be left out of the project if additional funding is not provided?

Answer: As noted above, the current basic needs will be adequately addressed within the funding available. However, the design is flexible enough to allow for expansion, based on the Tribe's desires determined in the PONI study, in the event that needs increase or the Bureau determines that a high priority should be given to funding such an expansion.

Question: There is a request of $500,000 for advanced planning and design, a decrease of $500,000. Why are you proposing this reduction?

Answer: This reduction is being proposed since advance planning and design funds are currently available from prior year advanced planning and design appropriations to accomplish the Pine Ridge High School Design (both phases), Dunseith Day School and the next highest ranked new school on the yet to be published FY 1992 Priority list.

Question: How many designs can be accomplished with $500,000?

Answer: Based on prior experience, designs for FY 1992 projects with a construction value of approximately $5 million can be accomplished with the $500,000 requested for advance planning and design.

Question: What impact will this have on funding projects on the school and law enforcement project lists?

Answer: As noted above, approximately $5 million of projects can be accomplished with the requested Advance Planning and Design funds.

Question: How many additional designs could be accomplished if funds were available?

Answer: Designs typically cost approximately 10% of the total construction cost. Depending on the projects under consideration, design costs would vary accordingly. The funds requested would be sufficient to provide for approximately $5 million of construction projects in FY 1992.

Question: What amount of funding would be required?

Answer: As noted above, designs typically cost approximately 10% of the total construction cost. Depending on the projects under consideration, design costs would vary accordingly.

Question: There is a request of $700,000 for telecommunications and repair. What is the total amount of funding needed to bring the Bureau into compliance with changes resulting from judicial decisions and technological advances?

Answer: For FY 1991, $796,800 is required to meet FTS-2000 (equipment and service initiation charges) requirements.

Question: What portion of this amount has been funded to date, and what portion remains?

Answer: The information follows:

FY 1989 - $100,000 Funded
FY 1990 - $313,000 Funded
FY 1991 - $796,800 to be Funded

After FY 1991, FTS-2000 should be completed. At that time it is expected that the remaining backlog can be addressed.

Question: In January, the Department submitted the annual safety plan required by P.L. 95-561. The plan indicates there are $2.7 million of projects in the Rank I (serious or threatening) category in FY 1989, which were unfunded; and $16.9 million Rank 2 (code and standards) unfunded in 1989. Have any of these items since been taken care of?

Answer: During FY 1989, emphasis continued on funding the correction of priority repair work. For instance, $442,456 was spent on U-1 (emergency) rank and categories which are considered immediate, critical, or dangerous; $582,089 was spent on S-I or 2 or Code and Standards deficiencies. As of January 1990, there were no unfunded U-1 (emergency) items, as the policy is to mitigate these immediately. Since January 1990, $48,750 was obligated on Rank 1 projects and $52,650 was obligated on Rank 2 projects.

Question: What is the remaining balance of unfunded items as of now?

Answer: The current unfunded balance for Rank 1 categories is $2,891,888 and for Rank 2 categories is $15,889,725. The backlog system is dynamic, since new items are added to the backlog as they are identified and corrected items are removed from the backlog.

Question: What are your plans for taking care of these projects, particularly those in Rank I?

Answer: Many severe safety deficiencies have been resolved through the excess space disposition program under which unneeded facilities are transferred or demolished. Training initiatives instituted during FY 1989 have provided for an increased awareness of safety of facilities at all levels within the Bureau. Major activity has been in the area of fire safety and detention centers, as well as fire master planning on the Navajo Reservation. This is particularly important for the isolated school situations found there.

Additionally, various programs within the facilities program are used to mitigate the Rank 1 backlog on a priority basis. Emergencies or U-1 items are handled with emergency funds provided; MI&R and FI&R project funds are used on a project by project priority basis which provides for mitigation of a large number of deficiencies. New construction projects also provide for the mitigation of Rank 1 deficiencies. Upon completion of MI&R, FI&R, new construction, and demolition projects, the backlog is cleared of safety deficiencies.

Question: Why have you not proposed funding to complete these projects, if still required?

Answer: OCM is providing mitigation of the backlog through the various funded programs as indicated above. OCM will also continue to emphasize programs and strategies aimed at more effectively addressing the backlog, particularly in education construction.

Question: The request for facilities improvement and repair is $23,388,000, an increase of $263,000. Included is $1,613,000 for the roof repair/replacement program. What is the size of the backlog of roof repair requirements? How long is it expected, at this level of funding, to take to eliminate the backlog?

Answer: The size of the existing roof backlog is $27,453,000 for 1,858 backlog items. The repair needs for quarters of $5,426,000 for 1,115 backlog items is included in this figure. Any roofing project that is presently scheduled in the FI&R program is excluded from the backlog.

It is expected that the backlog will be eliminated by the year 2010 at the present rate of funding. However, based on Area evaluations of roof conditions, more emphasis may be placed on replacing roofs individually as well as in conjunction with major FI&R projects. The number of years to eliminate the backlog, therefore, could be decreased substantially.

Question: For Flandreau, for which $2,550,000 is requested, how much replacement square footage is planned, and for what purposes?

Answer: Replacement square footage consists of a 950 square feet heating plant addition and 1,000 square feet for a facility management shop addition. The majority of replacement square footage (23,600) for vocational shops and special education classrooms is being accomplished under Phase Ib currently under design. Construction funds for Phase Ib were provided in FY 1989.

Question: What is the status of the design of this project?

Answer: The design contract is scheduled for award before the end of May 1990.

Question: Is this the final increment of funding?

Answer: The following work will still be required in future years: replacement of the campus water storage and distribution system, and sanitary sewer lines. Consideration of these requirements will be given in future funding decisions.

Question: Two projects are included which provide for repairs caused by unstable soil conditions, or to stabilize foundations: Lower Brule and Fort Thompson. How will these kinds of problems be prevented from recurring?

Answer: Foundation studies are performed on all new projects and on major additions to existing facilities. It is expected that the A/E designs will factor the study recommendations on soils and foundations into the facilities design, thereby providing remedies intended to offset present and future adverse conditions.

Question: Funding was provided in 1990 for the Hannahville, MI school. What is the current status of this project?

Answer: The Hannahville Potawatomi Tribe is contracting for A/E design services under P.L. 93-638. The preliminary drawings and specifications for Phase I are 70% completed and have been reviewed by FMCC. Comments were provided to the Tribe.

Question: Will additional funds be needed to complete the project? If so, how much is required?

Answer: The project may include a Phase II. Cost estimates can be prepared after the project scope is defined. Because of the inadequacy of the existing facilities, which were not constructed initially for education purposes, and the myriad of needs to meet overall academic requirements, alternatives to renovation of the existing facilities (i.e., temporary units and/or replacement) are being considered.

Question: $250,000 is included for Haskell Junior College. Have you prepared an update of the status of all safety items originally identified by the Inspector General?

Answer: A review has been performed of all of the safety items identified in the IG report. There are a total of 136 items, of which eight were deemed not required, leaving a total of 128 items. Fifty-six percent of those have been completed or are funded for completion. Twenty-seven percent and thirteen percent are programmed for funding in FY 1991 and FY 1992, respectively. The FY 1991 items will be funded through the MI&R program and the FY 1992 items will be accomplished along with major renovation of two dormitories. That leaves four percent, which is all in Building #10 (Old Gym). A project for the total renovation of this building is under design and is being considered for future funding in the FI&R program.

Question: Are there additional projects that could be funded in 1991? If so, identify them, and the related costs.

Answer: The only additional projects that could be ready for award in FY 1991 are:

--Renovation of Building #10 - Old Gym ($1,200,000)
--Replacement of the electrical service distribution campus-wide ($500,000).

Question: The request for construction support is $8,800,000. Why are you reducing minor repair funds to $4.1 million from $4.6 million in 1990?

Answer: At the time that the decrease was budgeted, the backlog data indicated that the mitigation level of prioritized projects would begin to decrease. Validations, surveys and program reviews since then have identified additional priority projects that will require the mitigation level to be increased for at least the next few years.

Question: What impact will this have?

Answer: The reduced funding for FY 1991 will slow the mitigation of recently identified priority projects in the MI&R program. This could possibly include various handicap code compliance projects requiring minimal design.

Question: Explain why advance planning and design is increasing to $1 million, from $500,000, and demolition is being reduced by $500,000 to $500,000.

Answer: Advance Planning and Design was increased from $1,000,000 (FY 1990) to $1,500,000 (FY 1991) in order to accelerate field validations, planning and design of anticipated future years FI&R construction projects. Also, it has been our experience that more excess space is removed from the inventory through transfer rather than demolition. It is anticipated that an aggressive excess space reduction program will continue with a budget of $500,000.

Irrigation

Question: The request for irrigation systems $2,310,000, a decrease of $27,265,000 from 1990. Why have you not requested funding for any irrigation projects other than $500,000 for the Flathead project?

Answer: In terms of bureauwide priorities, the irrigation construction was ranked in priority. The $500,000 for Flathead was an effort to stabilize an on-going water allocation situation between irrigation and fishery resource needs. The funds were requested to install a continuous water allocation monitoring system which would support water management decisions.

Question: What is the total cost of finishing the irrigation projects authorized by legislation and/or included in water settlement agreements? Provide a breakdown for the record.

Answer: Water settlement costs are not available at this time. Non settlement completion costs are estimated to be about $600 million. This estimate is based on the amounts identified in 1975 for the projects on the following list and cost-indexed to 1988 dollars.

Indian Irrigation Project	Number of Acres to be Irrigated	Estimated Acre Feet of Water Required to Irrigate Acreage	Funds Required to Complete Project
ALBUQUERQUE			
Nambe	745	2,608	224,000
Picuris	220	770	52,000
Pojoaque	185	648	84,000
San Ildefonso	1,440	5,040	487,000
San Juan	4,800	16,800	1,612,000
Santa Clara	2,500	8,750	920,000
Taos	6,000	21,000	1,048,000
Tesuque	800	2,800	255,000
Conchiti	1,864	10,830	73,000
Isleta	6,195	37,108	136,000
Sandia	3,418	19,859	50,000
San Felipe	3,808	22,124	440,000
Santa Ana	3,031	17,610	1,850,000
Santo Domingo	4,300	24,983	65,000
Acoma	2,302	11,239	1,043,000
Jemez	2,105	10,209	1,192,000
Laguna	3,211	15,670	840,000
Zia	2,432	11,795	2,121,000
Jicarilla	13,500	36,288	41,000,000
Mescalero	600	1,800	0
Zuni	2,660	9,100	5,000,000
Consolidated Ute	-	-	-
Animas-LaPlata (Ute Mountain)	12,050	42,657	2,771,500
Marcos Creek	6,500	31,980	28,000,000
Delores	7,500	28,725	1,725,000
Isruy Draw	102	390	0
Animas-La Plata (Southern Ute)	3,800	13,629	855,000
Pine River	10,861	49,319	0
Florida	785	2,622	15,700
Total Albuquerque	107,714	456,353	$91,859,200
BILLINGS			
Blackfeet	53,499	172,806	7,700,000
Crow	46,839	162,531	2,000,000
Flathead - Irrigation	131,026	439,062	200,000
Flathead - Power	NA	NA	200,000
Fort Belknap	13,320	43,517	600,000
Fort Peck	24,700	65,060	300,000
Tongue River (Northern Cheyenne)	632	2,427	0
Wind River	55,512	253,198	3,300,000
Rocky Boy's	598	1,956	0
Total Billings	326,126	1,140,557	$14,300,000
NAVAJO			
Hogback	9,614	24,000	1,504,500
Navajo Project (Shiprock)	-	-	-
Navajo Irrigation Project	110,630	254,000	253,000,000
Total Navajo	120,244	278,000	$254,504,500

Indian Irrigation Project	Number of Acres to be Irrigated	Estimated Acre Feet of Water Required to Irrigate Acreage	Funds Required to Complete Project
PHOENIX			
Kaibab	168	500	0
Hopi Miscellaneous	86	260	0
San Carlos - Joint Work	NA	NA	0
San Carlos - Power	NA	NA	0
San Carlos - Indian Works	50,546	303,276	0
Ak Chin	15,582	95,200	0
Camp McDowell	1,300	8,200	0
Salt River	10,600	66,300	0
Pima Miscellaneous	-	-	0
Colorado River - Irrigation	107,558	717,148	20,000,000
Colorado River - Power	NA	NA	6,000,000
Fort Mohave	18,974	122,648	0
Fort Yuma	7,743	51,616	0
San Carlos Reservation	2,326	14,000	0
Fort Apache	7,885	27,600	0
Chui Chu	3,445	18,300	0
Papago Villages	-	-	0
San Xavier	2,026	12,200	0
Gila Bend	1,725	10,400	0
Camp Verde	216	650	0
Havasupai	204	620	0
Truxton Canon (Big Sandy)	60	200	0
Uintah & Ouray	79,346	281,253	5,000,000
Utah Miscellaneous	45,503	127,509	60,000,000
Uncompaghre	21,653	86,612	11,000,000
Skull Valley	6,040	18,120	3,525,000
Goshute	820	3,300	80,000
Duck Valley	12,000	48,000	1,400,000
Western Shoshone	-	-	-
South Fork	4,074	16,300	0
Duckwater	930	3,800	0
Odgers Ranch	317	1,300	0
Fort McDermitt	3,500	10,500	0
Fallon (Newlands)	4,877	24,400	1,500,000
Moapa	591	5,000	0
Pyramid Lake (Including Dodge Flats)	5,963	30,000	2,000,000
Washoe Ranch	474	2,200	0
Carson Miscellaneous	-	-	-
Yomba	2,044	8,200	0
Yerrington (Campbell Ranch)	714	3,600	0
Summit Lake	500	1,800	0
Walker River	4,980	25,000	0
Valvo Vo	1,640	8,675	1,600,000
Gila Crossing	2,992	17,952	0
Maricopa Colony	1,202	7,212	0
Cocopah	431	2,744	0
Yuma Homestead	447	2,682	0
Total Phoenix	431,482	2,185,277	$112,105,000

Indian Irrigation Project	Number of Acres to be Irrigated	Estimated Acre Feet of Water Required to Irrigate Acreage	Funds Required to Complete Project
PORTLAND			
Wapato Additional Works	5,495	26,375	0
Wapato Satus	136,560	682,800	0
Ahtanem	4,756	23,349	0
Toppenish-Simcoe	14,051	59,014	17,650,000
Klickitat	-	-	0
Michaud	21,000	88,200	666,000
Fort Hall	47,065	197,673	0
Lummi Diking	4,390	-	0
Mense	-	-	0
Nespelem	-	-	0
Hall Creek (Twin Lakes)	-	-	0
West Okanagan	-	-	0
Colville Miscellaneous	-15,000	-	0
Kodoc Point	-	-	0
Sand Creek	-	-	0
Klamath - Agency	-	-	0
Warm Springs	1,292	7,493	0
Burns	140	800	0
Mabton	2,850	16,800	17,950,000
White Swan	-	-	0
Fort Hall - Minor Units	5,760	26,334	3,350,000
Lummi Miscellaneous	-	-	0
Wapato	-	-	0
Flood Wapato	-	-	0
Total Portland	228,359	1,128,838	$39,616,000
SACRAMENTO			
Coachella Valley	8,550	34,713	3,189,280
California Miscellaneous (Northern)	317	1,046	0
Big Pine	279	1,116	77,400
Bishop	875	3,500	165,000
Port Independence	240	960	95,400
Lone Pine	237	948	70,200
Colusa Rancheria	218	960	59,000
Fort Bidwell	300	990	43,200
Rumsey	62	205	0
Santa Rosa	110	528	33,000
Tule River	150	510	135,000
Tuolumne	50	180	15,000
XR Ranch	1,400	4,620	360,000
Hoopa Valley	1,457	4,954	148,850
Pala	4,903	11,804	2,566,800
Rincon	3,625	7,872	1,919,400
California Miscellaneous (Southern)	17,521	63,223	0
La Jolla	1,434	5,139	430,200
Morongo	6,287	31,476	1,783,200
Pauma	232	558	69,600
Soboba	708	3,080	1,191,968
Total Sacramento	48,955	178,382	$12,352,498
TOTAL BUREAU	1,262,880	5,367,407	$524,737,198
TOTAL BUREAU (Less Navajo Project)	1,152,250	5,113,407	$271,737,198

Question: The budget contains no funds for the Safety of Dams program, which is proposed to be funded under the Bureau of Reclamation budget. What is the basis of the reduction of $326,000 related to this transfer?

Answer: During the Administration's review of the FY 1991 BIA budget, the decision was made since the dam safety program was proposed for transfer to Reclamation; the BIA did not need as much engineering and supervision fiscal resources. Consequently the $326,000 and 15 FTE reduction resulted in the BIA budget.

Question: Are the 15 FTE's being reduced working fulltime currently on the safety of dam program? If so, provide a breakdown by job title and location.

Answer: No, there are only 3 FTE working full-time in the dam safety program.

Question: If not, what impact will this reduction have on the irrigation program, particularly if Congress continues to provide funding for ongoing irrigation construction projects?

Answer: The BIA irrigation office is considering a reduction-in-force action in response to the fiscal and FTE reductions.

Question: If the program is not transferred to BOR, what would be the total funding and staffing requirements to allow the program to proceed on an expedited basis in BIA? Provide a breakdown for the record.

Answer: The Bureau would need seven safety of dam engineer coordinators in Aberdeen, Albuquerque, Billings, Portland, Phoenix, Minneapolis, and Central Office. All other staffing requirements are included in P.L. 93-638 contracts with tribes or under agreements with the Bureau of Reclamation. The funding information is provided below:

FY 1991	FY 1992	FY 1993	FY 1994	FY 1995	FY 1996
$9,055,000	$30,600,000	$33,000,000	$35,000,000	$35,000,000	$35,000,000

Question: How large is the backlog of survey and design activity, for which an increase of $50,000 is requested?

Answer: The backlog of survey and design needs is substantial, but we do not have a cost estimate at this time.

Question: What can actually be accomplished with $50,000?

Answer: It is possible to prepare two rehabilitation and betterment reports for this amount; projects of moderate size in acreage, about 20,000 acres.

Question: How many area offices will be involved in determining priorities?

Answer: Aberdeen, Albuquerque, Billings, Navajo, Phoenix, Portland and Sacramento Area Offices will be involved in determining priorities.

Question: Provide for the record the most recent irrigation construction priority list of projects, including a description of how the priorities were determined, on a project-by-project basis.

Answer: In September 1989, in response to a Congressional request for the top ten irrigation construction priorities, the following list was submitted. The primary criteria utilized was legislative direction and water settlement requirements followed by clear need to address a situation at a project, such as Zia Pueblo.

Navajo Indian Irrigation Project
Delores Project
Zia Pueblo
Fort Belknap/Milk River
Fallon
Clark Ranch/Lower Brule
Tule River
Gila River
Brighton Seminole
Colorado River

The Bureau is currently gathering information/data to develop a bureauwide priority listing of irrigation construction needs in terms of rehabilitation and betterment.

Housing

Question: The request for housing is $20,224,000, a decrease of $2,239,000. Why are you showing no new house starts for FY 1990, since Congress restored funds for this purpose?

Answer: Statistics on new housing starts were inadvertently omitted from the 1991 budget request. It is estimated that the Housing Improvement Program (HIP) will provide 173 new housing units in 1990.

Question: What is the basis of the projected increase in average costs for housing repairs for 1991? Why do you expect non-standard repair costs will decrease?

Answer: The basis for the projected increase in average costs for housing repairs for 1991 is inflation of costs for labor, materials, and transportation. We anticipate that non-standard repair costs will decrease because the tribes are encouraged to keep non-standard projects, and costs, to a minimum, while emphasizing standard repairs instead.

Question: Given the number of new homes required on Indian reservations (51,337), why are you again proposing no new housing construction?

Answer: The primary responsibility for new home construction on Indian reservations lies with the Department of Housing and Urban Development (HUD). The Bureau's primary focus is on the rehabilitation of existing homes. In this way, many more families will receive needed assistance than if funds were used to build new homes for a small number of families.

Question: Why are you estimating the number of homes repaired in 1990 will decline from 1989?

Answer: The 1991 budget request reflects estimated repair output projections. The actual output data for 1989 is 1192 repairs and 208 new units constructed. It should be noted that 1989 workload projections were estimated higher because of the emphasis on repairs with no new construction planned (25% of the total HIP appropriation goes toward new construction). When new construction is omitted from the budget request, the estimated number of repairs is therefore increased.

Question: How much funding would be required to maintain the 1989 level in 1991?

Answer: It would require $23,724,000 in 1991 to maintain the 1989 level.

Employee Housing

Question: There is a request of $1,000,000 for employee housing, an increase of $500,000. What have you accomplished, or do you plan to accomplish, with the 1990 funds?

Answer: In FY 1990, $500,000 was provided to develop objective standards and criteria, which will serve as the basis of a multi-year phased housing strategy to bring employee housing up to acceptable conditions. The strategy consist of three steps: first, to determine what housing is required and to dispose of the excess; second, to complete the inventory of conditions and to begin the corrections need to bring the required housing up to acceptable condition; and third, to undertake a renovation/replacement program.

On February 28, 1990, a contract was negotiated with David Sloan & Associates, an Indian architectural and planning firm from Albuquerque, New Mexico. The contractor's preliminary goals are as follows:

- To inventory the conditions and corrections needed to bring the required housing up to acceptable condition and estimate associated costs.
- To determine what employee housing is required to meet BIA's needs.
- To acknowledge and integrate existing Federal policies, standards and procedures as required into study methodology.
- To develop policy recommendations regarding provisions of BIA housing.
- To develop a survey methodology that can be replicated by BIA personnel in continuing studies.

The Housing Needs Assessment is designed to be a working document that can be updated and revised as conditions change. All elements of the work plan will be formulated and documented in a manner that forms a guideline for future evaluations and assessment of BIA Housing. Deliverables will consist of information and recommendations on employee housing conditions and estimated cost for rehabilitation, are housing market requirements, and recommendations regarding rehabilitation or disposal of units. Reports will be prepared on a phased basis for each study area and include: an overall management/policy plan, an inventory data base (consisting of unit evaluation data and capital improvements data), and explicit facility, market and policy criteria. 440 units (10%) will be inspected in FY 1990.

Question: Why is an increase of $500,000 needed in 1991? How exactly will these funds be used?

Answer: The increase of $500,000 will allow the study to continue and to start repairs on life/safety issues that may be identified in FY 1990. Funds will be used to perform studies within the Navajo, Aberdeen, Albuquerque, Phoenix, Billings, and Portland Areas. Completion of these studies will represent approximately 70% of the total inventory, with all major installations reviewed.

Question: How many "corrective actions" do you expect to initiate in 1991? Do you have any idea yet of the total that this effort might require?

Answer: Estimates from the Contractor are not available at this time, preliminary study information will be submitted in June 1990. Corrective actions will be scheduled based on this information.

Road Construction

Question: The request for road maintenance and road construction is $37,307,000, an increase of $5,709,000. Bill language is proposed that would take $7.2 million of the Federal Highway funds available to the Navajo reservation to be used for road construction projects on the new lands. What is the total allocation of Federal Highway trust funds monies for the Navajo reservation in 1989 and 1990?

Answer: The fair share of the FY 1989 road construction funds for the Navajo Area based upon the distribution formula was $18,826,000. The total contract authority granted to the Navajo Area from HTF for FY 1989 totalled $18,771,000. In addition, $45,000 was provided to the Federal Highway Administration (FHWA) for design of a bridge on the Navajo Reservation. The projected fair share for Navajo Area in FY 1990 is $17,995,000. The lower anticipated contract authority for FY 1990 is due in part to Gramm-Rudman-Hollings reductions.

Question: According to the Navajo tribe, a study done at the request of the BIA Department of Transportation found that the needs of the Navajo Nation for road construction funds were greatest, compared to all other tribes, and approach one-third of the overall Federal Highway trust fund allocation for Indian tribes. Is this an accurate representation of the findings of the study?

Answer: Yes, the study found that approximately 25 percent (current) to 33 percent of funding should go to the Navajo Area to meet the needs shown in the study, depending on what formula was used. All formulas indicated an increase for the Navajo Area, from what they are currently receiving. The actual formula recommended for implementation showed approximately 27 percent should be going to the Navajo Area.

Question: If the needs of the Navajo tribe for road construction funds were to be met, what allocation of Federal Highway trust fund monies would this require?

Answer: The distribution formula selected for the proposal to be published in the Federal Register was called "Macro II". By this formula, Navajo's share would be 27 percent of total need. If the need were met in 20 years, Navajo's annual allocation would be approximately $71 million. If the needs were met in 25 years, Navajo's allocation would be approximately $61 million.

Question: On this basis, why are you proposing to take the road construction funds for the new lands out of the tribe's allocation of trust fund monies for existing needs?

Answer: The study considered all roads on the Navajo Reservation, including those on the New Lands, therefore, it is reasonable that the funding for these roads be a part of the total Navajo allocation from HTF.

Question: What are your plans for implementing a new allocation process for road construction funding?

Answer: A new formula for distributing HTF will be announced in the Federal Register in the near future. After public comment, a final decision will be made. The BIA is anticipating an increase in contract authority from the HTF beginning in FY 1992. This increase would provide additional funds for the Navajo Tribe under any allocation process.

Question: The request for road maintenance is $26,409,000, an increase of $3,784,000. Explain why the base amount for the Central Office staff is shown at $162,000, which is an increase of $100,000 over the amount shown last year.

Answer: The Central Office base amount includes salary for two staff engineers in FY 1991, which is an increase of one FTE. In addition, the tribal government involvement is proposed to increase requiring greater consultation with tribal members and travel. The engineers will be providing assistance, training and advice to the agencies and tribes which perform the actual road maintenance.

Question: Have you completed the multi-year equipment purchase plan which you expected to present in FY 1991?

Answer: The plan has not been completed. The data is still being assembled. Completion of the plan will be accomplished by the recently selected equipment specialist with the target date still being FY 1991.

Question: Why are you asking for an increase of $800,000 for equipment purchase, prior to completion of your review of equipment usage, to determine if excess or unused equipment could be moved from one area to another?

Answer: The usage review is partially complete and indicates a greater need in concert with the greater request of $3,517,000 by the agencies and tribes for FY 1991. The identified need for new seal coating equipment never purchased before and the partial usage review justifies the conservative increase for equipment purchases from 10% of the FY 1990 request to 21% of the FY 1991 request.

Question: How were the tribal evaluations of need for airstrip maintenance funds conducted?

Answer: The evaluations by the tribal bodies were included in the general maintenance needs estimate as a line item. The BIA gave them priority after bridge maintenance and before routine paved maintenance projects.

Question: How many airstrips will receive these funds?

Answer: A total of 32 airstrips were identified for service by the Areas as follows: Aberdeen (4), Albuquerque (1), Billings (2), Eastern (1), Navajo (18), Phoenix (5), and Portland (1).

Question: Have you performed any reviews to determine if there are any high hazard bridges on Indian lands?

Answer: Bridge inspection contracts have been awarded during FY 1990 to Indian structural engineering firms covering all bridges on the BIA road systems in four of the 12 BIA Areas. Negotiations are under way or proposals requested for award of contracts for inspections on all bridges on the BIA road system in the remaining Areas. As part of these inspections, required maintenance and emergency repairs are detailed. BIA maintenance crews are then directed to perform this work within a limited time period. Bridges which are determined to have load restrictions will be posted. Any bridges deemed to be unsafe for vehicular travel, and beyond the scope of maintenance, will be closed and projects for repair or replacement will be initiated. We currently have 23 bridges, based on the last inventory, that have been rated as critically deficient. Bridges on Indian lands which are on other road systems, such as state or country, are inspected on a biennial basis in accordance with National Bridge Inspection requirements with action taken by the appropriate agency based on the results of the inspection.

Question: What is the basis for the request of five additional FTE's? Do you have an indication of the total need for road maintenance staffing? If so, provide for the record.

Answer: The request for an additional five FTE's is based on a need at the entry level road maintenance position. The positions will be distributed on the basis of need with one position being at a supervisory level. The overall FTE has been reported at 411 for road maintenance positions. This does not include positions used for highway construction or the equipment pool operations.

Question: How was the additional amount of $2,433,000 for routine maintenance determined? How will these funds be allocated?

Answer: A nation-wide review of maintenance needs is made each year by the twelve Area Offices. The additional amount of $2,433,000 was determined as a portion of need for the highest priority elements in the overall Area/Agency request for funding. The funds will be allocated to the Tribes and Agencies which are currently being funded at the lowest rate. This will be an effort to bring some of those Tribes and Agencies up to an acceptable level of funding.

Question: The request for road sealing is $10,898,000, an increase of $2,925,000 for road sealing. What is the optimum number of miles that should be sealed per year, given the current inventory of miles in the system?

Answer: The current inventory of BIA system roads is approximately 4,700 miles. These paved roads should normally be sealed on an average of every eighty years. The optimum would be to seal one-eighth of these roads yearly. However, there has been a backlog of needs on Interior roads built before FY 1984. Due to this backlog, only a portion of this backlog will be met with the increased request.

Question: If it is more than the 500 miles that this budget request will allow, is there an impact to accomplishing less than the optimum figure?

Answer: Yes, there is an impact in not sealing to the optimum. It has been estimated that a proper road sealing program costs one-fifth as much as it costs when sealing is not performed as needed and the roads must be reconstructed using construction funds.

Question: The request for construction contract support is $7,000,000, a decrease of $2,815,000. What is the basis for this decrease?

Answer: In FY 1990, the Bureau received $9,717,000 post sequestration for construction contract support. The obligation rate for these funds in FY 1990 does not support the need for a similar level of funding in FY 1991. Any funds unobligated at the end of FY 1990 will carryover into FY 1991 and be available for new construction contract support needs.

Question: If the reductions in programs such as irrigation construction and housing are restored, will this program also need to be increased? If so, what would be the basis for estimating the amount of increase?

Answer: Construction contract support is only applied to direct costs minus subcontracts, subgrants, equipment acquisition, and other capital expenditures, not to the face value of a construction contract agreement. The Bureau believes that it has sufficient funds available, even if construction projects were added by Congress.

Miscellaneous Payments to Indians

Question: The request for miscellaneous payments to Indians is $52,407,000, compared to the 1990 appropriation of $191,864,000. What is the status of payments under the Old Age Assistance Claims Settlement Act? How long is this effort expected to continue?

Answer: A total of 2,537 trust estates have been identified as qualifying for compensation under this 1984 Act. According to semiannual reports filed in January of this year, individuals entitled to compensation had been identified in 702 estates. As of that time, compensation paid in 533 of these estates amounted to $1,094,288.

Full implementation of the Act was originally delayed in comtemplation of an amendment to include other welfare claims (in addition to the Old Age Assistance claims). The amendment was enacted on August 4, 1987. On November 1, 1988, the Act was further amended to provide that, in a given estate, no payment is to be made to any individual if the payment due such individual is less than $10 (not including interest). Therefore, the Bureau of Indian Affairs guidelines for implementing the Act were revised, and it was not until December 12, 1988, that a payment distribution plan could be put into effect. If the current funding level and a full staff are maintained, we now estimate that the Act will be fully implemented by FY 1993.

Question: Why haven't you requested any additional funding under authorities of the Hoopa-Yurok settlement act, such as for land acquisition?

Answer: The Bureau will not seek the appropriation of five million dollars for Yurok land acquisition until after the installation of the Yurok Interim Council. The establishment of the Council is not anticipated until early 1991.

Question: What is the status of implementing the Hoopa-Yurok settlement in 1990? Is there a shortfall of funds for BIA to administer the settlement?

Answer: As of May 16, 1990, the Northern California Agency has received 8,564 applications; 2,587 have been approved, 4,215 were denied, 64 were withdrawn, and the remaining 1,619 need additional information before a final determination can be made. A provision included in the Miscellaneous Indian Amendments of FY 1990 will result in an estimated 1,800 additional applications being filed. The Sacramento Area Office Office received approximately 800 appeals from individuals and 300 are still outstanding.

The FY 1990 Emergency Supplemental Appropriations Bill included the authority for the Bureau to use up to $500,000 of the Settlement Fund appropriation to pay administrative expenses incurred in implementation of the Hoopa-Yurok settlement.

Question: What is the amount needed to carry out this effort in both 1990 and 1991? How much is budgeted for this effort in each year?

Answer: As stated above the Bureau will use $500,000 from the Settlement Fund in FY 1990 to cover administrative costs incurred. The FY 1991 budget request includes $133,000 for these administrative costs and it may be necessary for the Bureau to seek a reprogramming from the Settlement Fund to meet these costs.

Question: If funds were to be used from the settlement fund itself to pay these administrative costs in 1990, when would those funds be repaid?

Answer: It is the intent of the Bureau to request funding in FY 1992 to repay these reprogrammed amounts.

Revolving Fund for Loans

Question: There is no request for funding related to the revolving fund for loans. The proposed bill language includes an administrative limitation on the amount of loans that can be made of $9 million. What is the amount of loans expected to be made in FY 1990?

Answer: Post Gramm-Rudman-Hollings (GRH) sequestration, it is expected the Bureau will lend $12,818,000. As of May 1, 1990, $9,414,439 in direct loans, and $681,627 for expert assistance loans, totaling $10,096,066, have been processed. Pending applications total over $4.5 million. It has been our policy that this program be used as "last resort" financing for Indian projects. Since the G-R-H sequestration was also applied to our loan guaranty program, loans that normally would qualify for that program are now being funded under the revolving loan program.

Question: Why is the limitation for 1991 proposed to be $9 million, rather than $13 million as in prior years?

Answer: Based upon projected carry-over balances and estimated collections in 1991, a $13 million program would have left the fund with less than $1 million at the end of the fiscal year. It was determined that the amount of loans made should be lowered to $9 million to allow a cash reserve to be built up over a period of three years, allowing the Bureau to then offer a stable $15 million program.

Question: What would be required to allow a higher level of loans to be made in 1991?

Answer: In 1990, the G-R-H sequestration limited the amount that could be loaned even though Congress had lifted the ceiling on loans. If Congress lifts the ceiling, and G-R-H does not affect the amount of loans that can be made in 1991, more loans could be made. As stated earlier, we would like to limit direct loans to $9 million in 1991 in order to build a cash reserve. What would be more beneficial would be not to limit the Bureau's loan guaranty program. A number of the direct loans made in 1990 would have been made under the Loan Guaranty program if it had not been capped as a result of the G-R-H sequestration.

Indian Loan Guaranty and Insurance Fund

Question: The request for the loan guaranty and insurance fund is $11,487,000, an increase of $6,720,000. Explain why $6.9 million will be necessary for interest subsidies in 1991, compared to $3.6 million in 1990?

Answer: Actual interest subsidies for FY 1990 were estimated to be $5,752,000, which would mean the increase from 1991 to 1992 would be $1,200,000 to pay subsidies for about half of 1992.

Question: What is involved in the new effort to guarantee $50 million in supplemental surety bonds for FY 1991, for which an escrow of $500,000 is requested?

Answer: Since this program provides a supplementary guaranty to the Small Business Administration's surety bond guaranty, a Memorandum of Understanding (MOU) explaining the responsibilities of each party will be executed. Based upon this, regulations will be published incorporating the MOU.

Question: How was the amount of the increase of $2,888,000 for the reserve for losses determined? What is the impact if these funds are not provided?

Answer: As more and more loans are guaranteed under this program, the dollar amount of the defaults continues to rise. Reserve carryover at the beginning of 1990 was $14 million. Using an average of 3% default, an anticipated payout of about $6 million would have left a reserve of $8.4 million to carry over to 1991. Anticipated payouts for defaults less collections and appropriation of $3.5 million would have left $7.4 million in reserve. However, actual and anticipated defaults for 1990 have exceeded estimates and this will reduce the amount carried forward to 1991. Without a substantial increase in the reserve, the Bureau will not be able to pay defaults. This may result in the lending institution having to seek legal remedies against the government under the full faith and credit provisions. This would result in an unwillingness of any other banks to guarantee Indian loans under this program. A plan for curing this problem has been submitted to OMB. However, the funding level would far exceed the limits that could be included in the Bureau's budget, and still perform other services.

Question: Explain what is meant by the increase in the interest subsidy factor between 1987 and 1989 from 25% to 40%.

Answer: We are attaching a graph which visually shows how the Bureau's rate established by Treasury, and the prime and bank rate have fluctuated.

Question: What is the reason for the shortage in the FY 1990 subsidy funds of $2,050,000?

Answer: Prior to 1989, the difference between the Bureau's rate and banks stayed at a fairly constant level, rising and falling at about the same rates. In 1989, this changed. The FY 1990 budget had already been submitted to the President and Congress.

Question: How did you determine the amount of $1,200,000 would be necessary for a portion of the year in FY 1991?

Answer: At a $45 million guaranty program, a year's subsidy would be approximately $2.4 million at the 45% level. Since the loans are not all approved at the beginning of the fiscal year, a half year's estimate was used.

Miscellaneous Permanent Appropriations

Question: The table showing funds being spent for consulting services in FY 1991 shows that $1.3 million of natural resources funds will spent for the geographic information system. What part of the natural resources budget are these funds from?

Answer: These funds are budgeted under Natural Resources, General, Indian Integrated Resource Information Program (IIRIP).

Question: How exactly will these funds be used?

Answer: The $1.2 million will be obligated under a technical support services contract utilized by BIA and BLM to secure expert technical assistance in the field of geographic information systems and remote sensing. This expert assistance includes contractor personnel who provide training and other technical assistance to tribal and Bureau personnel in the use of the technologies, manage a computer system on which the GIS is installed, assist in the development of GIS data bases, and develop inventories derived from remotely sensed information.

The Bureau will use $100,000 to complete an evaluation of the GIS programs at the various Bureau Area Offices. These evaluations provide an impartial evaluation of program planning and implementation at the Area level to assure the proper utilization of the technology. A firm with expertise in the implementation of these technologies, including economic expertise, will be secured competitively.

Question: What are the comparable expenditures in 1989 and 1990?

Answer: The information follows:

	Technical Assistance	Program Review
FY 1989	$ 653,000	$170,000
FY 1990	$1,118,000	$ 72,000

Question: What is the status of the GIS, and what are the total estimated costs of the system? Provide a breakdown by year and cost category for the record.

Answer: A GIS is a dynamic system which is intended to be used for a wide variety of spatial analytic activities. Throughout Indian Country, numerous organizations involved in land use management, both tribal and federal, are developing management systems based on use of GIS technologies.

The costs associated with the Advisory and Assistance Services described relate to the recurring costs of system management and support. It can be anticipated that as long as GIS and remote sensing are technical tools which continue to provide the significant return on investment which a 1987 Benefit/Cost Study conducted by BIA indicates, the use of such a system will continue to increase along with its attendant costs. Predicting that cost is extremely difficult in that the overall system is supported by numerous Divisions within the Bureau and a broad range of tribal organizations.

Relative to the contracted amount, it can be anticipated to increase at a slow rate as additional users are added to the system user community and technical assistance is provided them.

IIRIP Fund Distribution
(in thousands of dollars)

Data Entry	$ 250	$ 200	$ 200
User Support	1,376	1,584	1,524
Training	100	100	130
Program Coordination	120	180	210
	$1,846	$2,064	$2,064

National Indian Gaming Commission

	1990	1991	Change
Salaries and expenses	$750,000	$1,504,000	+$754,000

Question: This is the second year funding is requested for this new Commission within the Department. Last year, the request was for $2 million, the authorization level; $750,000 was appropriated. What is the status of start-up of the Commission in 1990? Have the 3 Commissioners been appointed?

Answer: Anthony Hope was confirmed by the Senate on May 16, 1990, to be the Chairman of the Indian Gaming Commission. The other two commissioners are expected to be named shortly.

Question: What staff, if any, are on board? Provide a breakdown for the record.

Answer: Since the Chairman was only recently confirmed, staff has not yet been hired.

Question: What is your current estimate of obligations to be incurred for FY 1990? Provide a breakdown for the record.

Answer: Currently, the salary of the Chairman is being paid from the funds appropriated in FY 1990. Once the other commissioners are appointed and staff are hired, it is anticipated that the majority of the funds appropriated will be obligated.

Question: Explain why $200,000 is needed for the 3 new positions. How was this amount determined?

Answer: The increase in staff reflects the expanded activities of the Commission in its second year of operation, specifically in the areas of writing regulations and auditing gaming establishments.

Question: What is the basis of the requested increase of $50,000 for travel?

Answer: Once the Commission publishes its regulations, a great amount of time will be spent inspecting these gaming halls for the first time. Our estimate assumes the following projected travel schedule of the Commissioner and staff for FY 1991 and that a one week trip will cost approximately $1,000:

Chairman of Commission and 2 auditors will make an average of 2 trips per month (3 persons X 2 trips X 12 months = 72 trips = $72,000)

The Associate Commissioners and General Counsel will make an average of one trip per month
(3 persons X 1 trip X 12 months = 36 trips = $36,000)

Question: How was the increase of $17,000 for rental payments determined?

Answer: The request was based on the approximate cost of GSA rental space in Washington, D.C. for a staff of 8 people. The increase in rental space reflects the increased size of the Gaming Commission staff in 1991.

Question: What is the basis of the increase of $421,000 for other services? What will be included?

Answer: Other services include all contractual services such as contracting with the FBI or private investigative companies for criminal background investigations of gaming investors. It also includes the cost of computer hardware and software. These computer costs will be high in the initial years of the Commission because they represent one-time purchases of computer equipment.

Additional Questions Submitted by
Congressman Les AuCoin

Columbia River Tribes

Question: How have the four Columbia River tribes and the Columbia River Intertribal Fish Commission been able to participate in implementation of the Columbia River Gorge National Scenic Area Act, the Oregon Omnibus Wild and Scenic Rivers Act and the Columbia River Treaty Fishing Access Sites Act?

Answer: FY 1989 and FY 1990 funding provided by the Congress has allowed the four Columbia River tribes and the Columbia River Intertribal Fish Commission to be active participants in the planning process for the Columbia River Gorge National Scenic Area Act and the Oregon Omnibus Wild and Scenic Rivers Act. The FY 1990 funding is divided five ways which results in a total of $40,000 to each tribe and to the Fish Commission. Congress has not provided funds for tribal participation in the Columbia River Treaty Fishing Access Sites Act.

The Columbia River Gorge National Scenic Area Act implementation is a continuous process of reviewing proposals for land use and recreation zoning as developed by the Gorge Commission staff and the Forest Service. Each tribe and the Fish Commission participate in the review of numerous related land use and recreation zoning documents.

On the Oregon Omnibus Wild and Scenic Rivers Act, only the Umatilla Tribe has worked directly with the lead agency (Forest Service) in drafting river and resource management plans. The Umatilla Tribe with their close proximity to several rivers identified in the Act will continue these efforts. Other tribes likely to be involved this year are the Warm Springs and Yakima, as Forest Service river plans become available.

On the Columbia River Treaty Fishing Access Sites Act, the four tribes and CRITFC have formalized a task force to work with the U.S. Army Corps of Engineers and the Bureau of Indian Affairs (BIA) to identify short and long term needs to implement this Act. The tribes would like to see two or three sites developed and transferred to BIA by FY 1991 at the latest. However, the Corps is restricted to long range planning and interim management through FY 1991 and does not anticipate construction activities prior to FY 1993. The tribes and the Corps are working toward a Memorandum of Understanding (MOU) and interim regulations, and the parties participate in regular meetings and field investigations.

Question: Does BIA consider meaningful tribal participation in the planning processes associated with these laws important to implementation of the statutes?

Answer: The BIA considers tribal participation in the planning processes associated with these laws important. The FY 1991 budget includes $100,000 in Tribe/Agency operations (Wildlife and Parks) for continued planning efforts of these tribes (page BIA-187). Their participation can also be supported through the budgets of the agencies assigned lead roles in implementing the statutes, notably the Forest Service and the Army Corps of Engineers.

Question: I have heard of marketing of something called "treaty beer" to raise funds to campaign for abrogation of Indian treaty rights. What is the extent of this promotional campaign?

Answer: The Bureau is aware of treaty abrogation efforts by certain groups in the State of Wisconsin, including the strategy of attempting to raise funds through the production and sale of "treaty beer". The treaty abrogation movement has had many problems finding a brewery to produce their product, and it appears that sales in 1990 have been very small. Treaty beer seems to be failing as a viable revenue producing commodity.

Question: Would BIA support funding for efforts by intertribal fishing organizations such as CRITFC to inform the public about treaty fishing as a means of countering this anti-Indian campaign?

Answer: Each of the four inter-tribal fish and wildlife organizations receives base funding in support of public information and education programs. The Bureau does not believe that increases in these operations are warranted as a result of what appears to be a failed treaty beer initiative. To the extent additional funds would be required, they should be added to the budget of the Great Lakes Indian Fish and Wildlife Commission.

Question: Does the Bureau's request fully fund the requirements of CRITFC to implement the US-Canada Salmon Interception Treaty?

Answer: The Bureau's $2,597,000 request to implement the U.S./Canada Salmon Interception Treaty is $198,000 less than the $2,795,000 amount requested by the Pacific Salmon Commission, which includes a five percent inflation adjustment, and a small increase to support participation of the Metlakatla Indian Community of Alaska in treaty implementation programs. Given the additional funding which will be made available to the states and Federal agencies for treaty implementation work through the budgets of the Departments of State, Commerce, and Interior, the amount requested in the FY 1991 Bureau budget is considered adequate to meet the highest priority needs of the 24 Northwest Treaty tribes, including the needs of the CRITFC.

Tribe/Agency Forestry

Question: When was the last time the Tribe/Agency Forestry budget received a significant increase in budget authority?

Answer: The largest modification to the Tribe/Agency portion of the budget occurred in fiscal year 1987. At that time, it was changed from approximately $16 million to approximately $23.5 million due entirely to the transfer of the $5.7 million Timber Sale Administration budget and part of the $5.0 million Forest Development budget from the non-banded side of the budget into the Tribe/Agency portion of the budget. This was simply a transfer between accounts; there was no increase to the forestry program budget authority. Other fluctuations in the Tribe/Agency portion of the budget have occurred each year but have been minimal.

Question: Over that period of time, to what extent has inflation eroded the ability of BIA to administer and oversee tribes' timber sale programs?

Answer: In 1978, the Congress increased the forestry budget for timber sale administration by $7.8 million. In order to provide the same spending capabilities in 1988, that amount would have to be increased to $12.9 million simply to make up for inflation, based upon the 1989 "Economics Report of the President". The 1988 timber sales budget was $9.8 million. This shortfall was exacerbated by climbing inflation in fiscal years 1989 and 1990. Over the past ten years, if fiscal resources had been adequate, some 2 billion board feet of timber could have been harvested.

Question: Over the last decade or so, what percent of allowable sale quantities of tribal timber plans has actually been sold and harvested?

Answer: From 1978 to 1988 there were 7.7 billion board feet of timber cut. The calculated annual allowable cut is approximately 1.0 billion board feet per year yielding 10 billion board feet over the same period. This means that approximately 2.3 billion board feet may be available for harvest.

Question: Does this shortfall mean that additional sales could be offered in FY 1991, if the funds and staff were available?

Answer: Yes, additional sales could be offered with additional funding.

Colville Jail

Question: Last year, the Bureau's Planning of New Institutions list ranked the detention facility on the Colville Reservation fifth in priority. What steps has the Bureau taken thus far to initiate planning and design work for a new Colville jail?

Answer: This facility was ranked fifth in the June 7, 1989 list published in the Federal Register by the BIA Law Enforcement Services Division. The House and Conference reports accompanying the FY 1990 Appropriations Act for Interior and Related Agencies directed that "funds will be sufficient to conduct the necessary Planning of New Institutions (PONI) studies for at least the first five detention facilities on the list, including Colville, and to award at least one architectual and engineering design contract."

Accordingly, a study will be undertaken for this facility. A Statement of Work for contracting the study is under development, and based on the findings in the, a determination will be made regarding construction. As part of the study, it is expected that all alternatives which may be available to address the needs at the location will be explored and considered in decisions for further construction. Therefore, decisions to proceed with any construction efforts, including planning and design work, are dependent on the findings of the studies, and cannot begin until the studies are complete.

Question: We have learned that in January, 1990, the Colville Tribal Judge closed the current facility due to uninhabitable conditions. Inmates have been transferred to nearby county prisons, at a probable cost this year of over $100,000 to the tribe to keep these prisoners incarcerated. Will the Bureau be able to assist the tribe in meeting these costs?

Answer: The tribal jail at Colville was closed in January 1990 and reopened in February 1990. It has been in continuous operation since that time. The approximate amount of funds included in the contract for detention is $110,000 in FY 1990. The average daily prisoner population for male/female is 16 per day. Daily prisoner costs at the county jail are $35 per day. At this rate, monthly prisoner board would be $17,000, or approximately $200,000 per year. Since the facility has reopened, fiscal assistance for the use of the local county jail is no longer needed.

Question: Does closure of the Colville detention facility accelerate the timetable for construction of the new jail?

Answer: As noted above, construction of a new facility will depend on results of the study to be undertaken. It is fully expected that the study will take into consideration the needs of the Tribe with regard to the availability of facilities and other costs.

Question: Are the facilities with higher priority rankings also intended to replace facilities that have been shut down?

Answer: PONI studies will be scheduled for the top five ranked detention center applications, based on the June 7, 1989 Federal Register priority listing published by BIA's Law Enforcement Services Division. Based on the results of these PONIs, the actual needs of each of these Tribal applications can be determined, including whether facilities have been or will have to be shut down for replacement. Based on these PONI findings, further funding consideration for construction will be made.

Question: What is the estimated cost of the new Colville jail?

Answer: Actual costs of a replacement Colville detention facility will be determined based on the results of the study to be undertaken at this site.

Warm Springs Facilities

Question: I have been told that certain facilities at the Warm Springs reservation face imminent closure due to lack of funds. The Tribes' review of the situation indicates that many costs are not yet accounted for in BIA's distribution formula, that inventories are still not yet complete, and that costs paid by the Tribes in 1988 on behalf of BIA were not counted in determining BIA funding requirements for 1990. What is required to remedy this problem in 1991, for Warm Springs in particular and for tribes across the nation as well?

Answer: The Warm Springs Agency was allocated $225,772 for O&M activities for FY 1990, compared to $342,347 obligated in FY 1989, equating to a 25% reduction. During 1989, several new building utility costs were incurred and these costs were not reflected in the FY 1988 utility obligations used to determine the FY 1990 funding formula allocation.

The Tribe has a contract with the Agency facilities management office to perform selected custodial services. An analysis by building of the contracted amounts versus the funding formula indicates that the contracts are approximately three times higher than the level for which the Bureau would contract. The funding formula will not support the Tribal custodial contracts as currently constituted because staffing levels are excessive.

Because of discrepancies in utility funding and inventory, however, an additional amount of $30,000 was added to the Agency program. The inventory is currently being reviewed and will be revised, as necessary, for the FY 1991 allocation.

As for other Tribes across the nation, an inventory updating process is underway. The allocation formula will provide for an adequate distribution of funds based on need.

Coos Tribe

Question: The Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians have requested an additional $363,000 to remedy shortfalls caused by early removal of the tribe from the "new tribes" program. Was the Coos tribe in fact removed from the new tribes program only 18 months after recognition?

Answer: Bureau records indicate that in fact the Coos Tribe was removed from the New Tribes program earlier than normal, but there is no explanation as to why that decision was made.

Question: Have this factor and other budgetary miscalculations resulted in a significantly lower per capita of BIA support for the Coos Tribe?

Answer: The per capita funding for tribes varies widely even among tribes which have been recognized for years. New Tribes are no exception, and their funding level seems to have been dependent to some extent on whether they were recognized as one of many in a given year or were the sole tribe recognized in a budget year.

The Coos Tribe met with Bureau staff a few months ago to present documentation showing that they received a very low per capita amount of funding when they were transferred onto the Indian Priority System. Correspondence and conversations have occurred, further documentation has been provided, and Bureau records have been reviewed. As a result, the Bureau may request additional funding for the Coos Tribe in our FY 1992 budget request.

Coquille Tribe

Question: The Coquille tribe was slated by Congress to receive $500,000 in new tribes funding in fiscal year 1990. What is the tribe actually going to receive in support from BIA this year?

Answer: In FY 1990, the Coquille Tribe has received $406,900 post Gramm-Rudman-Hollings sequestration.

Question: What accounts for the discrepancy?

Answer: In FY 1990, the Bureau's budget request of $1,000,000 for new tribes funding included $175,000 for the continued operation of the Klamath Field Office and $825,000 for unspecified new tribes anticipated to be recognized subsequent to the publication of the budget. However, Conference Report 101-264 accompanying the FY 1990 Department of the Interior and Related Agencies Appropriations Act included the following language: "Within the total funding provided for new tribes, the managers intend $500,000 be made available to the Coquille Tribe and $500,000 be made available to the Lac Vieux Desert Tribe."

Yet the report also included the following language about Klamath: "The managers expect continued operation of the Klamath field office in fiscal year 1990 at current staffing levels." Thus, the Bureau informed both appropriations subcommittees of the discrepancy in the Conference Report and of its intent to redistribute $87,500 each from Coquille and Lac Vieux to fund the Klamath Field Office at $175,000. Neither subcommittee raised any objection to the Bureau's proposed funding redistribution. In compliance with Congressional intent, therefore the Coquille and Lac Vieux Tribes were funded equally, and the Klamath Field Office was funded at the FY 1989 level.

Question: What did the Tribe, which had its federal recognition restored two years ago, receive in new tribes funding in fiscal year 1989?

Answer: The Coquille Tribe was recognized on June 28, 1989, and therefore, received no funding in FY 1989.

Question: What, based on the budget request, will it receive in fiscal year 1991?

Answer: The FY 1991 budget request includes $825,000 for New Tribes funding to be split between Coquille and Lac Vieux. If the Bureau continues the Committee's FY 1990 guidance to fund the two tribes equally, the Coquille Tribe would receive $412,500. It was never the Bureau's intent, however, to fund these tribes at an equal amount since the Coquille Tribe has 550 members and at the time of recognition the Lac Vieux Band had 225 members. The requested level would allow the Bureau to fund the tribes at the $1000 per capita level which has become the rule of thumb for funding new tribes. Coquille could receive $550,000 and Lac Vieux $275,000 since their population has grown since recognition.

Question: For how many full fiscal years are programs for newly recognized or restored tribes generally funded through the new tribes account?

Answer: Newly recognized tribes are generally funded for three years through the New Tribes line of the budget. Because the budget is formulated a full eighteen months before the start of the fiscal year, this three year period allows tribes to plan their budget under the Indian Priority System and make a smooth transition. For example, the Coquille Tribe will be funded under New Tribes in FY 1990, FY 1991, and FY 1992. In January of 1991, however, the Coquille Tribe will be able to plan their FY 1993 budget under the Indian Priority System.

Question: Are additional funds required from the new tribes account to maintain the Klamath field agency office at current strength?

Answer: In the FY 1991 budget request, the $175,000 funding for the Klamath Field Office was transferred to their location within Tribe/Agency Operations under General Administration.

Question: Is an economic self sufficiency report authorized in the Coquille Restoration Act?

Answer: Section 4 of the Coquille Restoration Act authorizes an economic self sufficiency report and a report to Congress.

Question: What is required to complete this study?

Answer: Section 4, subsection (a), provides for the Secretary of the Interior to enter into negotiations with the governing body of the tribe with respect to establishing a plan for economic development. Upon approval of such plan by the Tribe, it would be submitted to the Congress. Subsection (b) provides that any proposed transfer of real property contained in the Plan shall be consistent with the requirement of Section 5 of the Act.

Question: Are funds budgeted for it in the fiscal year 1991 request?

Answer: No funds are included in the FY 1991 request for this purpose.

Klamath Tribe

Question: What is the program base for the Klamath Tribe in the fiscal year 1991 request?

Answer: The FY 1991 budget request includes $1,013,000 for the Klamath Tribe.

Question: How does this amount compare with base funding for the tribe in fiscal years 1988, 1989, and 1990?

Answer: The information follows:

	FY 1988	FY 1989	FY 1990
Klamath Tribe Funding	$1,500,000	$1,400,000	$1,006,000
Included:			
Program Funding	1,000,000	1,000,000**	831,000**
Needs Assessment	500,000		
Klamath Economic Self Sufficiency Plan		150,000	
Klamath Field Office		250,000	175,000

** While still being funded from the New Tribes line of the budget, the Klamath Tribe put $169,000 of their $1 million base into the Housing Improvement Program. Therefore, when their funding was transferred into the Indian Priority System (IPS) during the FY 1990 planning process, the $169,000 was left in Housing, and the balance of $831,000 was left in other programs within the IPS.

Question: What services are provided to Klamath members outside the immediate Klamath County service area?

Answer: All members of the tribe are eligible for full services, but the core service area is Klamath County. Tribal members living outside the core service area must travel to Klamath County to receive services.

Question: What level of support does the Bureau project it will provide the Klamath tribe in its water rights filing with the Oregon Department of Water Resources for the Upper Klamath River?

Answer: No funds will be provided to the Tribe for the collection of data and information to be used in support of the claim in the Klamath River adjudication. Rather, the Portland Area Office will be allocated funds with which to procure the data and information necessary for the United States to make a

claim on behalf of the Tribe in the adjudication. However, funds will be allocated for a tribal grant to cover tribal participation and oversight costs to assure the informed participation of the Tribe in the United States' development and prosecution of the claim.

The Portland Area's funding request for this and other water rights claims in litigation and negotiation will not be available until after June 15, 1990. Upon receipt of that request and the requests of other Bureau Area Offices, a determination would be made as to the level of funding which can be provided for the Klamath claim and tribal participation.

Question: What is required by the tribe to collect the information needed to support its filing?

Answer: The Tribe will need no funding for data and information collection to support the claim. As stated above, the Portland Area Office will be allocated funds with which to procure the data and information necessary for the United States to make a claim on behalf of the Tribe in the adjudication of the Klamath River.

Question: What is the deadline by which this claim must be filed?

Answer: While the Oregon court has not established a date by which the United States claim must be filed, the Portland Area Office is operating on the assumption that the claim must be filed by the end of calendar year 1991. On this basis, deployment of technical experts for the collection of data and information in support of the claim must occur in FY 1991.

Question: Does the Bureau's request for fiscal year 1991 include funds for the Klamath's ongoing native fisheries and watershed enhancement program, for which $210,000 has been appropriated annually in prior years?

Answer: The Bureau's FY 1991 request includes $316,000 for the Klamath Tribe's fish and wildlife conservation program, but does not carry forward the $210,000 add-on provided by the Congress in recent years for work on three depleted populations of lake suckers in Klamath Lake. Unlike the U.S. Fish and Wildlife Service, the Bureau does not receive appropriated funds for work on species of fish and wildlife threatened with extinction. Tribal fish hatchery operations directed toward the restoration of the depleted populations should be funded under the broad authority of the Endangered Species Act.

Question: The Klamath Tribe has requested an additional $75,000 for operations of the Chiloquin subagency. What would the funds be used for, and is that level of support services provided at other subagency offices?

Answer: The Tribe's request for an additional $75,000 is based on the initial funding level of $250,000 added by Congress in FY 1989. Since this was a new operation, there were set-up costs, equipment, and supplies which would not be recurring costs. The Bureau considers the $175,000 funding level appropriate for this office.

Umatilla Tribes

Question: In the fiscal year 1990 conference report, the conferees directed BIA to fund the Confederated Tribes of the Umatilla Indian Reservation's water resources program at a level of approximately $250,000, with the base level to be supplemented by appropriations from the water management account? What is BIA devoting to the Umatilla Tribes' water resources program in fiscal year 1990?

Answer: In FY 1990, the Tribes were provided with a total of $199,500 from the non-IPS Water Resources Management, Planning and Development program for two purposes: 1) $137,750 to support the tribal water office relative to action in the continued development of a comprehensive reservation water resources management plan (also described as a Land Use Plan); and 2) $61,750 for the completion of a summary report of water resources data and information, as well as operation and maintenance costs for gaging equipment on the reservation. These project allocations supplemented the Tribes' FY 1990 Tribe/Agency Water Resources program operating budget of $101,600.

Question: What is required to continue this work in fiscal year 1991?

Answer: By June 15, 1990, the Central Office will have received a prioritized list of Portland Area Office projects requested to be funded from the Water Resources Management, Planning and Pre-Development program. We assume that Umatilla tribal projects will be on that list.

It is likely that the Portland Area Office will request that the Umatilla Tribes FY 1991 IPS Water Resources program base of $100,600 be supplemented by a non-IPS Water Resources Management Planning and Pre-Development allocation of at least $169,400 based upon tribal testimony. Should such a request be made, Central Office would act to provide a reasonable level of funding to support tribal activities.

Question: What is budgeted in the fiscal year 1991 request?

Answer: Water Resources Management, Planning and Pre-Development program funding is not requested for specifc tribes. Until receipt and review of all Area Office prioritized requests for FY 1991 funds, we cannot determine specific funding by tribe.

Question: Are funds requested for the Umatilla Tribes' proposed four-year reservation integrated resource management plan?

Answer: The Bureau's FY 1991 budget request does not include funding specifically for the Umatilla Tribe's proposed four-year reservation Integrated Resource Management Plan. Resources from the Indian Integrated Resources Information Program (IIRIP) have been utilized to support the basic data entry and to provide training and user support to the Umatilla Agency personnel. Technical support will be provided on a continuing basis at no cost to the Tribe or Agency.

Question: What would be required to initiate this planning process in fiscal year 1991?

Answer: Within the context of the project plan submitted by the Confederated Tribes of the Umatilla Indian Reservation for data collection and to conduct socio-economic and cultural resource studies, the $175,000 requested by the Tribe for the Integrated Resources Management Plan is reasonable.

Question: The Umatilla Tribes have proposed constructing a new law enforcement facility, since it is impossible for eight full-time law enforcement officers, five dispatchers, and administrative support to work out of the current 672 square-foot facility. Where does this project rank in BIA's priority list for law enforcement facilities?

Answer: Currently, there is a priority list for juvenile detention centers authorized under P.L. 99-750, the Anti-Drug Abuse Act. PONIs are being conducted for the top ten ranked projects in this program. However, the Umatilla Tribe does not have an application for a facility in this program. Additionally, the BIA Law Enforcement Services Division published a listing of applications for PONIs in the June 7, 1989 Federal Register. Accordingly, PONIs for the top five applications listed will be conducted, based on Congressional directives. The Umatilla Tribe also did not submit an application for review in this listing.

Aside from these listings, the final decisions regarding a detention center planning process for adult/juvenile jails not authorized under P.L. 99-570, the Anti-Drug Abuse Act, have yet to be determined by the Department. A process which may parallel the new school construction process is under consideration; and it is anticipated that the PONI approach will also be applied as a basis of detention center construction determinations. As noted in the March, 1990 "Report on Comprehensive Detention/Treatment Centers" submitted to the Congress jointly by BIA, OCM, and the Indian Health Service (IHS), new detention center planning should be a coordinated effort, using the Eagle Butte Center as a model for consideration of addressing social detoxification needs. In the event that a new process is implemented, tribes, including the Umatilla, will be invited to submit applications for consideration.

Question: What is required to construct the 6,000 square foot facility proposed by the Tribes?

Answer: In order for the project to be constructed, it first needs to be placed in the President's budget based on completion of a planning (PONI) process and design, and be approved in the Congressional appropriation. It is estimated that such a project would cost approximately $930,000. The project has not, however, completed any of these requirements needed for construction.

Question: Are these funds included in the fiscal year 1991 budget request?

Answer: Funds for law enforcement construction in the amount of $2.5 million are included in the FY 1991 budget request, however, as noted above, the Umatilla Tribe has not applied for funding consideration. Therefore, these funds will be applied toward other juvenile detention center needs.

Question: Is the Umatilla Tribes' fisheries program funded at only $50,000 in the fiscal year 1991 request?

Answer: Yes. The Umatilla fisheries program is funded at $50,000 under Tribal Management/Development Programs in the BIA FY 1991 request.

Question: What level of funding is being provided in fiscal year 1990?

Answer: The Umatilla Tribe received $100,000 for their fisheries program in FY 1990, including a Congressional add-on of $50,000.

Question: The Umatilla Tribes have indicated a program need of $265,000, not $50,000. What would these additional funds be used for?

Answer: The additional funds would be used to rebuild the fisheries resources of the Umatilla River Basin. The fisheries staff would hire four full-time and one half-time employees. Increased fisheries activities would include salmon and steelhead spawning ground surveys, artificial fish production planning in ceded areas, coordination with irrigation districts to insure flows for fish protection, harvest management and enforcement on the reservation and ceded area tributaries, and participation on the planning and implementation of Umatilla Basin fisheries projects with the Bonneville Power Authority and Bureau of Reclamation.

Grand Ronde Tribe

Question: What level of services can the fiscal year 1991 budget request for social services provide to the Confederated Tribes of the Grand Ronde Community of Oregon?

Answer: The FY 1990 social services administrative funding level for the Grand Ronde tribe is $74,200 which supports a staff of 3: one Director (MSW), one Social Services Caseworker, and a part-time Secretary. In FT 1991, the tribe will receive $76,400 to support the same staff.

The Grand Ronde Agency social services office currently handles a caseload of 67 families and 128 children. The office has a drop-in client rate of about 5 per day, with 10 to 15 ongoing clients coming in per week. The office handles all Indian child welfare cases that include motions to intervene, and prepares cases for State and Tribal courts. This office also handles the licensing of foster homes, home studies, locating homes for child placement, and services for tribal elders.

Question: How does this compare with the social service case load the Tribe currently faces?

Answer: The caseload in FY 1990 increased because of the implementation of a general assistance program in the State of Oregon. The Bureau's Siletz Agency is currently administering the general assistance program for all four tribes under its jurisdiction including the Grand Ronde Tribe and will continue to do so in FY 1991 unless the tribes decide to contract the program. Two additional social services positions have been advertised for the Siletz Agency to handle the increased general assistance workload. The Tribe's funding will allow them to continue the current social services functions without an increase in workload.

Question: The Grand Ronde Tribe recently opened the Nanitch Sahallie Native American Substance Abuse Treatment Center to provide treatment and education services for Native American and Alaska Native youth. Does the Center have adequate resources to provide needed education services to its clients?

Answer: This center is funded and operated by the Indian Health Service with a FY 1990 budget of $753,910. The Bureau is unaware of the need for education assistance and has not received a request for such assistance.

Additional Questions Submitted by
Congressman Pat Williams

Proposed Safety of Dams Transfer from Bureau of Indian Affairs to Bureau of Reclamation

Question: If such a transfer were to take place, would the BIA honor existing 638 contracts signed with Tribes? Specifically, would the BIA honor the contract with the Confederated Salish and Kootenai Tribes of the Flathead Reservation?

Answer: As the Bureau of Reclamation is actually performing the work on the Flathead Reservation under a subcontract with the Tribe, it would not be reasonable for Reclamation to contract with the Tribe just to subcontract back from the Tribe.

Question: BIA Safety of Dam monies have been diverted in the past for fire suppression. When will these monies be restored to their original destination?

Answer: As of May 25, $7 million of the approximately $12 million transferred for fire suppression has been repaid. BIA expects to repay the remaining $5 million with the funds appropriated in the FY 1990 Emergency Supplemental Appropriation.

Question: Is the Dam Safety Task Force Priority list still used to determine rank and precedence for repair of BIA dams? Is there any plan to change this?

Answer: Yes, the Task Force priority is still the Departmental guidance for rank and precedence for program attention. It is changed by Reclamation whenever the on-going periodic inspections support a change in the ranking.

Self-Governance Demonstration Projects

Question: It is my understanding that a Memorandum of Understanding was submitted to your office by the Confederated Salish and Kootenai Tribes on January 11, 1990. At what stage is this MOU in your review process? And when do you expect the agreement to be signed?

Answer: The proposed Memorandum of Understanding is inappropriate since MOU's are only used between Federal agencies. A proper method would be a cooperative agreement, the terms and conditions of which would need to be negotiated. We will be contacting the Salish and Kootenai Tribes shortly to pursue a cooperative agreement. The timing of such an agreement will depend on the negotiation process.

Social Service Contract of Salish and Kootenai Tribes

Question: Last year an agreement was reached to avoid retrocession of the Tribes 638 contract. The BIA agreed, as I understand it, to increase social worker staffing. To date, this has not happened. The Tribes will be out of funding by the end of this month. When will the Tribes expect the increase?

Answer: We have consulted with the Portland Area and the Tribe has been requested to provide the BIA Area Office with their analysis of needs for the rest of FY 1990. The Contract will then be negotiated based on the availability of funds. The Area Office will be evaluating the Administrative expenditures of this Tribe.

Tribal Colleges

Question: In your travels throughout Indian country, would you tell me if you have found a need for construction, maintenance and repair monies for the Tribal Colleges? If you are not able to answer this, perhaps your Education Director can respond to the question. I'm told that some of the colleges are in danger of losing their accreditation status because of their facilities. What are you doing to make sure that this does not happen?

Answer: Based on the BIA's Facilities Management Construction Center (FMCC) "Report on Tribally Controlled Community Colleges" of March 1988, TCCCs are in various degrees of non-compliance with safety, handicapped and building codes.

The Bureau's highest priority for construction and facilities needs has been the mitigation of building code deficiencies in Bureau-operated and constructed elementary and secondary schools. The existing backlog of code deficiencies in elementary and secondary schools requires the Bureau to expend all of its Facilities Improvement and Repair (FI&R) resources to resolve these problems. Meeting TCCCs' deficiencies and requirements would significantly impact this backlog and compete with limited funding available for the elementary and secondary school needs.

Question: Do you believe that the 22 Tribal Colleges currently in existence are doing a good job? Are they successful?

Answer: Twelve of the 22 colleges are fully accredited, and the others have attained various stages of accreditation. The Bureau believes that in recent years TCCCs have made a log of progress in meeting needs of students. Much of the progress is attributable to the focus of national attention on the TCCCs.

The Carnegie Report, an independent study of the tribally controlled community colleges, reports among its findings,

> "First, tribal colleges establish a learning environment that encourages participation by and builds self-confidence in student who have come to view failure as a norm. The attrition rate among Indian students, at both the school and college levels, greatly exceeds the rate for white students. Isolated by distance and culture, many have come to accept that they cannot complete school. College seems to many Native Americans an impossible dream. Tribal colleges offer hope in this climate of despair. Also, the colleges celebrate and help sustain the rich Native American traditions, provide essential services that enrich the communities, and serve as centers for research and scholarship."

Question: Do you believe that these colleges should have the same amount of funds as a comparable community college per student? I'm told that tribal colleges are funded at approximately half the level of community colleges.

Answer: Since TCCCs are not funded on a "per student" basis, it is difficult to accurately compare their funding levels. The original TCCC legislation authorized funding at a level of $4,000 per FTE; and the current legislation authorizes funding at $5,820 per Indian Student Count (ISC). All credit hours (for full-time, part-time, and summer students) are added together and divided by 12 to arrive at the ISC. In FY 1990, the colleges received $2,230 per ISC which would convert to a higher amount "per student" since many TCCC students enroll in more than 12 credit hours.

The 1985-86 Financial Status of Higher Education Survey for Two-Year Public Institutions indicates that public institutions were funded at $4,233 per student.

Question: What steps are you taking to reach equity with other community colleges?

Answer: The FY 1991 budget request of $16,043,000 represents a substantial increase over prior Administration requests and will continue support for these programs at a level slightly higher than the FY 1990 post-sequestration level. The grants were never intended to cover the full operating costs of these institutions, and achieving equity with public institutions is not within the authority of intent of the Bureau.

Question: In what ways during the last several years have the colleges suffered from years of not having enough funding?

Answer: The colleges have suffered the effects of inflation just as all other activities in the country. Though the level of Federal funding to the TCCCs has remained relatively constant in a time of inflation, the colleges have over the past few years found additional funding sources. They have begun to charge tuition to their students, contract with States and other Federal agencies to operate programs on campus, and achieved eligibility for Federal student loan and workstudy programs. Competition for funding has intensified over the years, but the availability of the Endowment Program in recent years has helped the colleges be more competitive.

Question: What are the Tribal Colleges not able to provide that other community colleges are able to provide for their students?

Answer: The range of courses and program offerings at the tribal colleges is not as extensive as those at many public colleges; however, the colleges do provide the basic skills that enable the students to obtain immediate employment upon completion of an AA degree program or to enter 4-year institutions. The tribal colleges offering of vocational training is limited.

Education Facilities Management

Question: What is the impact of the moratorium which was placed on the transfer of the facilities management function to the Office of Indian Education Programs?

Answer: As a result of the moratorium placed on the transfer of the facilities management function to the Office of Indian Education Programs (OIEP) by the Conference Report accompanying the FY 1990 Appropriations Act for the Department of the Interior and Related Agencies, any proposed reorganization

would have to be submitted to the Congress for approval prior to implementation. Although P.L. 100-297, the Indian Education Amendments of 1988 included changes in the definition of "education positions" to come under OIEP supervision, the extent to which Area and Agency facilities management staff at school sites would be affected remains unclear. The moratorium would require that a reprogramming request be submitted for consideration by the Congress prior to implementation of any proposed reorganization addressing such changes.

Question: Did the Office of Construction Management involve the Office of Indian Education Programs on the compilation of the data on the study of the transfer of facilities management?

Answer: Since the passage of P.L. 100-297, the Department has worked toward implementation of the Act through both the Bureau of Indian Affairs (BIA) and Office of Construction Management (OCM). As noted above, Section 1311 (n)(1)(A) of P.L. 95-561 and Section 5112 (b)(1)(B) of P.L. 100-297 deal with the definition of "education positions" associated with BIA schools, and changes to the definition. In addition to the restriction in the FY 1990 Conference Report accompanying the Appropriations Act for Interior and Related Agencies which does not allow a reorganizational change without undertaking a reprogramming request, the extent to which Area and Agency facilities management organizational and staffing changes are required remains unclear.

As a result, a task force was formed in the Spring of 1989 including representatives from the Department, OCM, and BIA's Office of Indian Education Programs (OIEP) to examine the issue and determine the extent to which facilities management positions may be included in the changed definition of "education positions". Subsequently, the Department requested that the Office of the Solicitor examine the language in both authorizing acts and the appropriations reports for appropriate compliance and implementation. Therefore, study of the transfer has involved various parts of the Department.

SMITHSONIAN INSTITUTION

Issue Papers from Additional Witnesses

Michael Robinson, Director, National Zoological Park

Irwin Shapiro, Director, Smithsonian Astrophysical Observatory

Ira Rubinoff, Director, Smithsonian Tropical Research Institute

David Correll, Director, Smithsonian Environmental Research Center

Sharon Reinckens and Jim Mayo, Co-Acting Directors, Anacostia Museum

Milo Beach, Director, Sackler Gallery of Art/Freer Gallery of Art

Elizabeth Broun, Director, National Museum of American Art

James Demetrion, Director, Hirshhorn Museum and Sculpture Garden

Alan Fern, Director, National Portrait Gallery

Dianne Pilgrim, Director, Cooper-Hewitt Museum

Sylvia Williams, Director, Museum of African Art

Susan Hamilton, Acting Director, Archives of American Art

William Moss, Director, Smithsonian Institution Archives

Barbara Smith, Director, Smithsonian Institution Libraries

Ann Bay, Director, Office of Elementary and Secondary Education

Richard Kurin, Director, Office of Folklife Programs

Written testimony, Michael H. Robinson, National Zoological Park

This testimony will concentrate entirely on the zoo as a public facility. Early this year we did a careful analysis of the factors affecting the progress of the National Zoological Park (Figure 1). Negative external factors include the comparisons made by our visitors with their hometown zoos. Since we are the National Zoo there is a general expectation of leadership and trendsetting. Our leadership is unchallenged in research, animal medicine, and conservation. However, my concern over the last six years has been with the zoo as a zoo; with its public face. In this sphere we are behind our colleagues elsewhere. Although our attendance puts us in the top three zoos in the U.S.A, we are far behind in exhibit construction. This is true despite generous and increasing federal support. In the last few years we have had to spend construction dollars on new Veterinary hospitals at Rock Creek and Front Royal, and in modernizing our research facilities. We now have the best hospitals and research laboratories in the entire zoo world. We have *also* extensively refurbished existing exhibits to bring them up to date. We have devoted considerable resources to beautifying the zoo's central walkway and improving handicapped accessibility. All this has been beneficial, but highly expensive. However, unlike all our other large-zoo colleagues (for instance, Bronx, Brookfield, Lincoln Park, San Diego, St Louis, New Orleans etc.) we have not built a conceptually new *major* exhibit in the last twenty years.

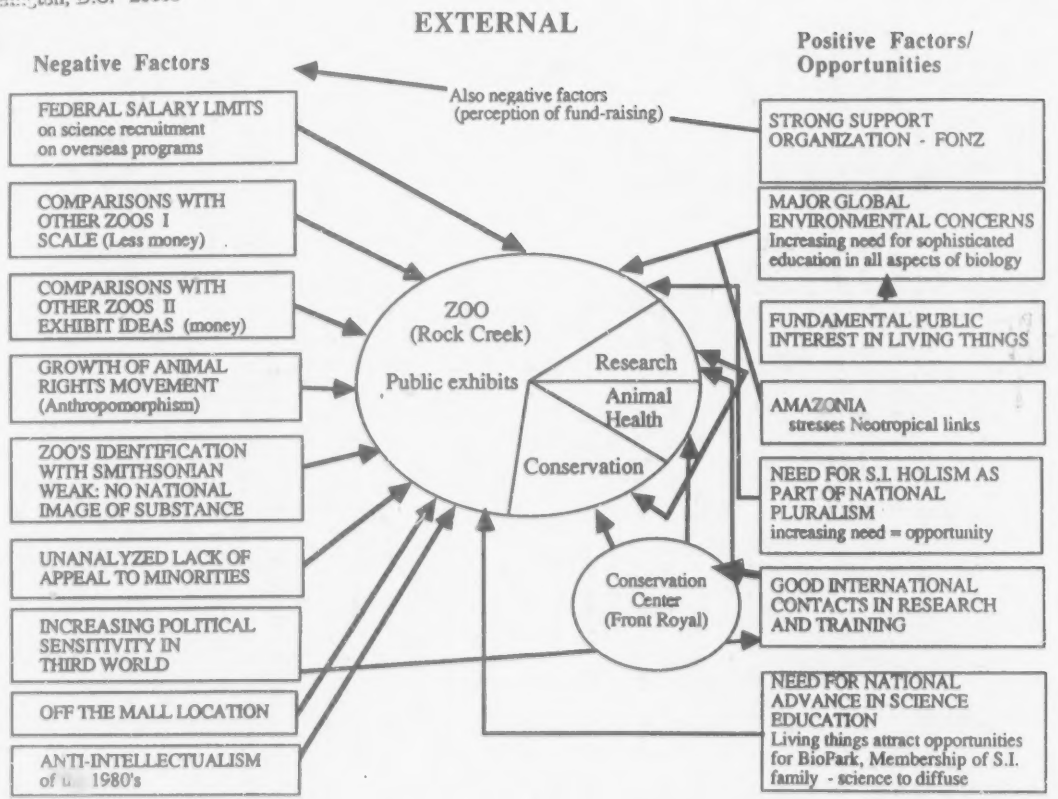
Amazonia is the first such venture. Compared to tropical exhibits already built elsewhere it is low budget. In fact it is a slim, trim project. It is distinguished by its innovative features that derive from the unique expertise of our biologically sophisticated staff. It is a biological experience not an architect's dream. We know it will add greatly to the attractions of the zoo. We know that it is crucially important at a time of global environmental crisis, diversity loss and tropical devastation. Its Amazonia Gallery (FY 1991) will be uniquely educational and comprehensive. The gallery is a combination of varied communication-media features. It will serve diverse communities as a source of information about the state of the tropics. In addition to mass audiences it can function as a briefing center on tropical ecosystems for the large community of international decision-makers that center on the Nation's Capital. I would plead strongly for your support for construction of this building which evolved out of our unique collective planning process. It combines elements from our Master Plan in an extraordinarily cost-effective way.

Like other zoos in the country we expect to develop substantial private sources (in our case to supplement federal funding) for future exhibitry. But donor bases are not built quickly. We have a lot to offer and our future plans for exhibit construction can eventually result in a zoo worthy of our audiences and matching the talents and dedication of our staff. We know you understand the present plight of life on earth and our role in enlightenment.

Michael H. Robinson

Michael H. Robinson
Director
National Zoological Park
Smithsonian Institution
Washington, D.C. 20008

figure 1.


EXTERNAL
Negative Factors
Positive Factors/ Opportunities
Also negative factors (perception of fund-raising)
FEDERAL SALARY LIMITS on science recruitment on overseas programs
COMPARISONS WITH OTHER ZOOS I SCALE (Less money)
COMPARISONS WITH OTHER ZOOS II EXHIBIT IDEAS (money)
GROWTH OF ANIMAL RIGHTS MOVEMENT (Anthropomorphism)
ZOO'S IDENTIFICATION WITH SMITHSONIAN WEAK: NO NATIONAL IMAGE OF SUBSTANCE
UNANALYZED LACK OF APPEAL TO MINORITIES
INCREASING POLITICAL SENSITIVITY IN THIRD WORLD
OFF THE MALL LOCATION
ANTI-INTELLECTUALISM of the 1980's
ZOO (Rock Creek)
Public exhibits
Research
Animal Health
Conservation
Conservation Center (Front Royal)
STRONG SUPPORT ORGANIZATION - FONZ
MAJOR GLOBAL ENVIRONMENTAL CONCERNS Increasing need for sophisticated education in all aspects of biology
FUNDAMENTAL PUBLIC INTEREST IN LIVING THINGS
AMAZONIA stresses Neotropical links
NEED FOR S.I. HOLISM AS PART OF NATIONAL PLURALISM increasing need = opportunity
GOOD INTERNATIONAL CONTACTS IN RESEARCH AND TRAINING
NEED FOR NATIONAL ADVANCE IN SCIENCE EDUCATION Living things attract opportunities for BioPark, Membership of S.I. family - science to diffuse

Major Scientific Instrumentation

Increase of Knowledge

Major scientific instrumentation is the lifeblood of the Astrophysical Observatory. The two instruments currently under development -- the submillimeter telescope array and the MMT conversion -- will allow SAO to continue its frontline research into the 21st century. They will also contribute to increasing the scientific strength of the United States, through the high-tech devices being developed, a number of which should have useful civil applications.

This spring, SAO is entering its second century. The last few years have seen a series of major discoveries, from molecules to planets, stars, and galaxies. Approximately one quarter of all the molecules known to exist outside our solar system were discovered by SAO scientists, including three exotic organic molecules not before seen on the Earth. SAO scientists have also found the most convincing evidence yet for two long-sought objects: an extra solar planet and a black hole. Finally, SAO scientists have uncovered dramatic new information about the structure of the universe, including, this past fall, the discovery of the "Great Wall" of galaxies, the largest coherent structure ever found; this discovery challenges our fundamental concepts about the origin and evolution of the universe.

Diffusion of Knowledge

SAO is also not ignoring the diffusion side of the Smithsonian Charter. In contrast to its high-tech, high-cost research activities, SAO is making substantial contributions in precollege science education, through its Project STAR (Science Teaching through its Astronomical Roots) which continues to develop curricula and novel high-tech, very low-cost (mostly under one dollar) scientific tools that students can build and operate themselves. Some of these are based on SAO's high-cost, more sophisticated instrumentation.

Summary

With continued support for its forefront research, SAO should be able to continue to make substantial contributions to both the increase and the diffusion of knowledge. This support must, too, include relief from the infrastructure squeeze caused primarily by the effects on SAO's base of unavoidable and "uncompensated" increases in costs for professional staff, especially serious for SAO's very lean mixture of personnel: 80% scientific and technical, and 20% management, support, and clerical.

TOTAL P.01

SMITHSONIAN TROPICAL RESEARCH INSTITUTE

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May 9, 1990

The Honorable
Sidney R. Yates
Chairman, Subcommittee
on Interior and Related Agencies
United States House of Representatives

Dear Mr. Chairman:

The reestablishment of a democratic government in the Republic of Panama presents the Smithsonian Tropical Research Institute with new opportunities and responsibilities. They include increased use of STRI's new Earl S. Tupper Research and Conference Center for international scientific and conservation workshops and conferences. We are also obliged to provide scientific guidance for new initiatives and some older ones which have lain dormant. Examples are: the U.S. - Panama - Japan Commission to examine alternatives to the Panama Canal; President Endara's Commission to establish a National Advisory Committee on Science and Technology; and the pending swap of a portion of Panama's debt for conservation. Legislation for this last initiative has already passed the House and Senate. And finally, we are being asked to advise on the development of an ecotourism industry that will help create economic incentives for the protection of Panama's rainforests and coral reefs.

I intended to mention three critical concerns on April 18:

First, to present the results of a comprehensive feasibility study for construction of a floating laboratory in accordance with our congressionally authorized Facilities Master Plan. A vessel designed specifically for our research purposes, with a low-maintenance aluminum hull, can be built for under 2 million dollars. We are requesting an appropriation of $1,550,000. We propose to make up any difference with the remainder of the amount already appropriated, some reprogramming and with private funds. An assessment of our existing vessel conducted by a marine engineering consultant indicates that the life of this boat cannot be extended without extensive and expensive renovations--work which would not extend its limited research capabilities.

Second, we need to continue the thrust of our global change initiative. Private funding is being sought from the Mellon Foundation to help establish a Center for Paleoecology at STRI. We seek to bring together a group of scholars capable of exploiting the opportunities for global change research afforded by the

Isthmus of Panama. The rise of the Isthmus, 3 million years ago, provides a unique potential for studying the substantial, large-scale change in climate produced by alterations in the circulation of the Gulf Stream. The establishment of the Isthmian land-bridge also provides excellent opportunities to examine the impact of human immigration during the last 11,000 years. The quid pro quo for private sector backing of this program is the expectation for parallel support and the ultimate federalization of the program.

Finally, the economic devastation and removal of the police infrastructure in Panama has placed an increased burden on STRI to protect our facilities and the natural areas placed under our custodianship by the terms of the Panama Canal Treaty. Our emergency needs were met by a one-time allotment of $200,000 from the Institutional trust funds. The problem of adequate support for game wardens and security guards needs to be addressed to assure continued safety and security of our staff, visitors, and facilities in the currently depressed economic environment on the Isthmus.

Ira Rubinoff
Director

To: Nancy Suttenfield, Director
Office of Planning and Budget

May 10, 1990

From: David Correll, Director
SERC

Subject: Additional testimony for FY 1991 house hearings

SERC testimony would have outlined the need to further protect the properties (lands) which constitute the SERC long-term intensive research site. This site and comparative studies based from this facility will be the global change program networks only inputs to represent the Chesapeake Bay region.

Research at SERC focuses on ecological interactions of the atmosphere, watershed lands, and estuarine waters of the Rhode River as a representative landscape subunit of the Chesapeake Bay system. SERC owns 1,800 acres and has covenants which provide considerable protection for another 600 acres on the lower Rhode River watershed. However, about 500 acres of the lower watershed and approximately 3,000 acres of the upper watershed need to be protected from development. Rapidly expanding development is threatening to convert the upper watershed from primarily agricultural use to suburban housing tracts, with potentially drastic impacts on the interacting ecological communities of the Rhode River system. SERC proposes to conserve land of the watershed in its present agricultural land-use pattern, thereby retaining its value as a national ecological research site. This site is not only expected to be the locale for U.S. Global Change research for the Cheapeake Bay region, but its convenient location within a short distance from the Baltimore/Washington metropolitan area makes it very convenient and cost effective for a wide variety of researchers.

To aid in designing the protection plan for the watershed, SERC contracted The Trust for Public Land, a private non-profit land conservation organization, to: I) survey owership of all critical land parcels; 2) estimate fair market value of the parcels; 3) identify the array of legal and real estate mechanisms available for protecting these parcels; and 4) establish a strategy for implementing these mechanisms.

The protection plan outlines an array of mechanisms to conserve the watershed at costs appreciably lower than the fair market fee simple purchase value. Mechanisms for protecting the undeveloped sections of the Rhode River watershed range from donation of land to the Smithsonian to outright purchase, and from establishment of state legislated agricultural covenants and conservation easements to provisions for lifetime estates and resale of improvements.

The strategy estimates that the conservation plan will cost from eight to twelve million dollars. If these properties were to be purchased outright at full market prices, the cost would be approximately 35 million dollars. Because developers are already moving rapidly on to the Rhode River watershed, it is critical that this protection plan be implemented quickly to conserve the value of the site for research, agriculture and historically valuable open space.

The Smithsonian has proposed a ten year funding program of 500 thousand dollars per year of federal funds begining in FY 1992. These funds would be matched with private funds on a one to one basis and the first 500 thousand dollars of private funds are already in hand. If the time schedule could be advanced to FY 1991, the success of the programs implementation could be assured.

SMITHSONIAN INSTITUTION

ANACOSTIA MUSEUM

1901 FORT PLACE SE WASHINGTON DC 20020

Statement to:
Subcommittee on Interior and Related Agencies
Committee on Appropriations
United States House of Representatives

May 11, 1990

The Anacostia Museum is poised for significant institutional change. In the summer of 1990, through a comprehensive plan of action, the museum will develop planning for a distinct architectural presence in a readily accessible location. Discussions are underway with the Smithsonian, the District of Columbia Government, and the National Park Service concerning the Anacostia Cultural Complex at Poplar Point, a potential site for this facility.

The museum has moved forward rededicating itself to the documentation, presentation and preservation of the African American culture in American life. John Kinard issued a call for action before the African American Museum Association in July 1989. He called for an .."alliance of museums, historical associations and government agencies to establish a national trust that would infuse resources and accept the challenge of retaining this vanishing history."

As part of its comprehensive plan of action the museum accepts the challenge issued by John Kinard and anticipates the approval of its collection management policy submitted to central administration in 1989. The museum will submit a request for funds for its collection effort in the 1992 budget.

Sharon Reinckens Jim Mayo/
Co-Acting Directors
Anacostia Museum

TOTAL P.02

STATEMENT OF MILO C. BEACH on THE FREER GALLERY OF ART

The renovation of the Freer Gallery of Art, which has been closed for this work since late 1988, offers an extraordinary chance for a complete reassessment of the Gallery's exhibitions and programs. The Gallery first opened to the public in 1923, with collections that concentrated on Asian and American art and their inter-relationship. However, the relationship of Asia and the United States then was a very different matter than it is today. People of Asian origin are now the fastest growing element of the American population, and Asian cultures--no longer distant and exotic--are part of the fabric of American life. Deeper understanding of Asian cultural attitudes by the American public is crucial.

When the Freer Gallery reopens, we must therefore make the arts and cultures of Asian communities more communicative and accessible than ever before to a wider audience--including an important audience of Asian Americans for whom these cultures are familiar--while at the same time explaining the historical links that have brought American and Asian art together in one building. This cannot be done with the exhibition techniques and furniture of 1923. While the historical character of the Freer will be respected, the intellectual and physical needs of contemporary museum visitors must be met--especially those with special accessibility needs.

The reinstallation of the Freer Gallery of Art will cost $3,000,000, of which we hope to raise half privately. Because we have not been granted funds in the past, we requested $750,000 for FY1991 (to be repeated in FY1992) plus five positions ($154,000) to allow the Freer Gallery of Art to reopen in 1992 as scheduled. Of this, only $200,000 has been approved for submission this year to Congress, and without additional funding the museum's reopening must be substantially delayed. (It would be irresponsible to reopen the building with exhibitions little changed since 1923.) The Columbus quincentennial was originally thought to be a fitting date to re-inaugurate a museum celebrating the contacts between America and Asia. It was Asia, after all, which Columbus was seeking.

Because of the complexity of exhibition planning, we are asking that these--as well as other exhibition funds for the Institution --be granted on a No-Year basis. Decisions about the presentation of objects in a museum context is a substantial intellectual activity, and funds must be flexible and responsive to allow the most effective and communicative results.

'STATEMENT OF MILO C. BEACH on DOMESTIC INDEMNIFICATION

Because of the limitations on art museum acquisitions due to recently revised tax laws and soaring prices, the role of loans and loan exhibitions is increasingly important to a museum's vitality. Exhibitions can now be valued in billions of dollars, with insurance premiums for single exhibitions sometimes exceeding $1,000,000. The Institution therefore strongly supports a program to indemnify domestic loans. Works of art in American collections must be as available to American museums as those in foreign collections.

NATIONAL MUSEUM OF
AMERICAN ART
Smithsonian Institution

Gallery Place
Eighth and G Streets, N.W.
Washington, D.C.

May 9, 1990

To: The Honorable Sidney Yates, Chairman
House Interior Appropriations Subcommittee

From: Elizabeth Broun, Director
National Museum of American Art

Request for a more diverse, representative national art collection

The National Museum of American Art aspires to represent the finest accomplishments of this nation's greatest artists in all their diversity. America is not the product of a single founding stock or geographic center, but of myriad ethnic, economic, racial, religious, and regional groups, each with artists of significant merit. Yet for generations since the first donations 160 years ago, the National Museum of American Art and other art museums reflected the tastes of a cultural elite. The Museum featured such masters as Thomas Moran, Albert Bierstadt, Albert Ryder, Winslow Homer, Stuart Davis, Franz Kline, and Robert Rauschenberg, tracing the progress of art through examples selected from an artistic "canon."

In the late 1960s, this began to change as NMAA curators became aware that much important art outside the canon had been edited out of history. NMAA accepted a large body of work by the African American artist William H. Johnson, followed by gifts of other black and Hispanic art over several years. By 1985 the Museum was actively seeking out and purchasing the best work by minority "outsiders" to American museums. Today NMAA represents the full scope of American art more completely than any other general museum, with almost 2,500 of its 34,000 works by black, Hispanic, and Asian-American artists. Recently NMAA acquired 425 traditional and modern objects by folk artists of every region and race, which will be unveiled to the public in September 1990. Taken together, these collections confound old notions of what constitutes American art, throwing the Museum open to new ideas more in tune with today and the future.

Change is upon us; the American people want a fresh approach to art and the educational programs that collections inspire. New audiences look to NMAA not only for superb examples of the artistic mainstream but for a new definition of "mainstream" and a broader response to the old question "What is American about American art?"

Competition for the best work by neglected artists has risen dramatically; objects we desperately need to reflect our vigorous traditions are now priced out of reach. We urgently need major

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funding of at least $750,000 annually to meet the challenge of forming collections that will have profound meaning for present and future audiences, to hire a diverse professional staff and present expanded educational programs.

Art now plays a significant part in national identity. Whole segments of society are hoping museums will acknowledge their essential contributions to American life. In today's post-Vietnam, post-Watergate, post-Drexel world, art is widely recognized as the best expression of the ideals, hopes, and experiences we cherish, offering a way of understanding often-conflicting life experiences on a metaphoric or symbolic level. The American people deserve a national art museum that truly reflects all of its citizens.

Request for a domestic indemnification program

The astonishing rise in art prices means that museums can no longer afford insurance for the extraordinary loan exhibitions that have attracted record audiences in the past two decades. Amsterdam's Van Gogh exhibition will not come to America because no museum can insure its $3 billion valuation. The Monet retrospective in Boston was supported by a corporate grant of $1.4 million, of which $1.23 million went for insurance. Closer to home, the Smithsonian watched insurance costs for Masterworks of Louis Comfort Tiffany, Giacometti, and Francis Bacon triple during the period of preparation, throwing budgets and development planning into chaos. For art museums across the country, the end of the major loan exhibition is near, unless the insurance crisis can be resolved.

A 1989 study by the National Endowment for the Arts showed overwhelming support among American museums for a program of domestic indemnification similar to that in England and other European countries. The program could be patterned on the highly successful foreign indemnification program now in place, but should be funded separately so the two will not compete against each other. Museums have improved their professional standards so that major losses rarely occur. A federal guarantee against loss for approved exhibitions would benefit art museums nationwide at a time when so many other doors have been closed to them, and would permit the continuation of the finest exhibitions so deeply valued by the public.

Concerns of the Hirshhorn Museum and Sculpture Garden

The following are the points that Mr. James T. Demetrion had in mind to bring to the attention of the subcommittee chaired by Mr. Yates.

Collections Storage Space - The Hirshhorn Museum and Sculpture Garden is in need of additional storage space. With the bequest received from the late Mr. Joseph H. Hirsshorn the number of items in the collection doubled but the storage space did not increase. In order to relieve storage areas that were already over crowded the museum has found it necessary to use three exhibition galleries for storage. This is only a poor substitute for what is really needed and reduces the public viewing spaces. The present crowded storage spaces could lead to damage to the national collections in the custody of the Hirshhorn Museum and Sculpture Garden. The Hirshhorn Museum is not the only art museum in the Smithsonian Institution with storage needs. All the art museums have similiar problems.

New and expanding programs - There are a number of groups advocating additional or new programming. To name just a few: New programs for various cultural diverse/minority audiences and disabled visitors, Employment opportunities for cultural-diverse/minority employees, Upward Mobility for existing staff in dead-end positions. All of these are worthy and need to be addressed but this is being done at a time when resources are shrinking. The current resources are stretched so thin it is difficult to maintain existing programs. The museum has very low turn-over. The only way to bring cultural diversity or other programs is to have additional resources.

Acquisitions - The federal acquisitions funds should be appropriated as "no-year" funds. The art market is not very tidy and often schedules sales that make fiscal year distinctions difficult. Further, it would often be a great benefit to the museum to be able to carryover the acquisitions funds from one year to another. Here again, this problem is not unique to the Hirshhorn Museum but to all the art museums with federal acquisitions budgets.

There is a great deal of competition among the buyers of art. Private collectors who can act quickly in confirming a sale are often the successful purchaser.

Competition from other museums - The low compensation paid to staff has made it difficult to attract staff. This is especially the case in trying to attract cultural diverse staff who are in demand at a number of museums and cultural organizations. There is also competition among museums for exhibitions and acquisitions. At a time when the cost of exhibitions is increasing and acquisitions costs are very high the museum's resources are shrinking.

House Appropriation Subcommittee Hearings -- Notes
Alan Fern, National Portrait Gallery

While attendance at NPG is rising, scholarly and professional demands are increasing, and inflation is driving up costs of everything from pencils to portraits, NPG has experienced an actual reduction in available federal funds this year. All increases--even for mandated pay raises--were denied by OMB, except for a small increase in the budget for the Columbus quincentenary. After reductions for the unexpected DC water and sewer bill (about $60,000), Gramm-Rudman sequestrations, and the absorption of pay raises, we have had to operate on about $260,000 less than last year. Since 81% of our $4 million federal budget goes for salaries, and we need to preserve our $363,000 acquisitions budget, the remaining $200,000 is all that we have for the entire operation of the museum--for travel, training, furnishings, exhibitions, etc. We have maintained our public programming only by raising private funds on an emergency basis.

This Committee, and the Congress, have been responsive to a number of needs presented by NPG over the past few years; these increases for conservation and other important program areas have met crucial demands, and are deeply appreciated. But rising costs and increasing demands on our staff have eroded these additional resources. Even without the budget cuts this year the Gallery's purchasing power (when translated into constant dollars) amounts to two percent less than when I became Director almost eight years ago.

My top priority must be to restore the base funding of the Portrait Gallery to at least its former level. Beyond that, my priorities must include the ongoing conservation and maintenance of the largest object in our collection--the 1830's Patent Office Building, provision for such unglamorous aspects of the Gallery's infrastructure as the replacement of older computer equipment, transfer of collections data to new SI programs, adding long-needed clerical and technical staff, and providing for the future growth of the museum.

This last item involves the ability of the Smithsonian to remodel and occupy the Old General Post Office Building, occupied for many years by the Tariff Commission.

When we can use this building there will be many benefits, among them that
--space will be freed in the Patent Office for additional exhibition use of both the Portrait Gallery and NMAA, so more collections can be displayed;
--the Archives of American Art will finally have adequate working facilities and proper public areas, giving it the presence it deserves among scholars and the public;
--adequate education and public program spaces will be available in Gallery Place, including a much-needed auditorium;
--proper storage, study, and security provisions can be made for our collections of works on paper (especially photographs);
--and at last the public will be able to see and use fifth oldest government building in the nation's capital. The building will then take its rightful place as an important urban amenity and a cornerstone of Washington's new downtown. I urge that we find a way to fund the design and restoration of this major structure without delay, since the cost of the work will only rise as the years pass. Recent newspaper stories confirm that OMB understands the importance of restoring the Treasury Building; surely the Post Office, by the same architect, is of no less importance and deserves the same treatment.

COOPER-HEWITT MUSEUM
Testimony by Dianne H. Pilgrim for FY91 House Hearings
May 10, 1990

Cooper-Hewitt has for nearly a hundred years served as a major resource to design professionals and American industry. Good design is a cultural, social, and economic imperative, particularly now, when we face such important issues as the environment and the national trade deficit. What is needed is an institution that can shape an intellectually forceful view of contemporary design. Design needs to be displayed and discussed, through exhibitions, educational programs, and publications, in a social and critical context. Cooper-Hewitt, as the National Museum of Design, has an important role to play in educating the public, not only about design history, but also about shaping America's future. There is no institution in the United States dealing solely with these important issues.

Cooper-Hewitt is in a unique situation within the Smithsonian. Only half of the Museum's operating expenses comes from Smithsonian sources. The other half must be raised annually, which is why we must charge admission fees, close one day a week, charge for every educational program including children's programs, and maintain our own separate membership and Corporate members. Of the funds we do receive from the Smithsonian, one half is trust, the other federal. These funds are used only for salaries and basic maintenance. Cooper-Hewitt is the only Smithsonian museum which receives no federal funds for education, exhibitions, publications, or acquisitions. Ironically, since the Museum is prohibited from applying to the National Endowments, it is probably the only museum in the country not to receive federal funding for the very aim of the Institution, which is to serve as an educational resource for the public. Cooper-Hewitt has the largest collection of any of the Smithsonian art museums. Despite having the smallest staff, we also mount the same number, if not more, exhibitions than our colleagues in Washington.

For Fiscal Year 91, Cooper-Hewitt submitted an additional federal budget of $1.5 million. Only two of the 11 line items in this sum were for new initiatives; all the rest dealt with infrastructural inequities that have existed for the last 22 years. The entire $1.5 million request was denied by OMB. The results of this are that the Museum cannot address issues of education, acquisitions, or even basic deficiencies in the staff level. The Museum cannot address serious problems relating to infrastructure without those funds. Certainly, Cooper-Hewitt cannot begin new initiatives in such areas as outreach programming and efforts to reach a culturally diverse audience without first achieving financial parity with the rest of the Smithsonian museums. Also essential is an across- the-board cost of living increase for all Smithsonian employees working in New York. One cannot live in New York on a Smithsonian salary--particularly at the low and high end.

It must be reiterated that without a major infusion of funds, none of these goals can be accomplished. At the moment, with the current levels of understaffing, seriously deficient base maintenance, and with no monies for any programmatic purposes, the Museum is only treading water. Unfortunately, the Institutional budget process does not address these inequities. If we continue moving in this way, the Museum will never be able to address the problems at hand. Effective change is essential. We are sincerely grateful to Chairman Yates for his efforts last year, which proved that there is no legal impediment to the Museum receiving federal funds. After 22 years as a bureau of the Smithsonian, Cooper-Hewitt deserves and desperately needs support equal to that of the rest of the Institution.

TOTAL P.02

Adverse Effect of Tax Law on Donations of Works of Art

Mr. Chairman:

The National Museum of African Art shares with its art museum colleagues in the Smithsonian and with museums throughout the nation a deep concern about our ability to preserve our nation's cultural legacy. Specifically, Mr. Chairman, I refer to the fact that the arts community, particularly museums, has been hard hit by the change in the law governing the tax treatment of gifts of appreciated property, i.e., the 1986 Tax Reform Act.

The Association of Art Museum Directors reports on the basis of a survey of its members over a 3 year period (119 museums replied) that the number of gifts has fallen from approximately 42,000 in 1986 to approximately 18,000 in 1988.

From 1987 to 1988 the dollar value of donations fell 28.8% while the purchase price of art works rose 20.4%.

In fiscal year 1986, donated works of art had an aggregate value of about $143 million; in contrast, in fiscal year 1988 the comparable figure was $67 million.

These statistics make vividly clear the fact that collectors have decided against donating works of art or have strategically limited them.

Many before me have commented eloquently about the significant decline in gifts of appreciated property since 1986. A decline that in my view, Mr. Chairman, erodes deeply the long held beliéf of generations of Americans that the arts are among the greatest of our national treasures. The arts are a vital and creative part of our education system. They inspire new generations. They enable us to experience multi-cultural diversity that characterizes American society. They give form and meaning to our lives.

The future financial well being of the arts in America is dependent upon enlightened federal tax policies. I hope, Mr. Chairman, that you will help us explore ways to remove the appreciated portion of property gifts from the Alternative Minimum Tax so that we may once again have a true public/private partnership essential to the well being of this nation's art museums.

Sylvia H. Williams, Director
National Museum of African Art

May 11, 1990

SHW:hbl:4:TaxLaws

May 10, 1990

ARCHIVES OF AMERICAN ART

STATEMENT

RE: Additional Testimony for FY 1991 House Hearings

Although the Archives of American Art does not have a request for a program increase in the FY 1991 Budget, the following needs to be understood:

The Archives is no longer adequately meeting its responsibility to care for and preserve its unique and irreplaceable manuscript collections. Neither is it effectively carrying out its mission to find valuable source materials wherever they may be, preserve them, make them easily accessible for research, and assure their continued availability to future generations. Finally, the Archives is falling further and further behind in fully automating its operations and providing the technical support scholars need to do their research and the Archives must have to gain and maintain physical and intellectual control of its collections.

For example, we estimate that the Archives presently has a minimum of 1,450 cubic feet of totally unprocessed collections on hand, none of it accessible to researchers. It would take at least nine, dedicated work years of a professional archivist to process this backlog. Even though the Archives has reduced its collecting activity (which can only result in lost collections), there is more coming in, more on hand, and more backlog every year than current staff can handle.

To begin to address the problem, the Archives must have more resources. What is needed is nothing less than adequate space, adequate staff and adequate funding for equipment, supplies and communications.

The present minimum requirements are as follows:

- Two (2) professional archivists:	$100,000
- Three (3) archival technicians:	$ 66,000
- Equipment, supplies, communications:	$ 60,000
- The General Old Post Office Building	$???????

SMITHSONIAN INSTITUTION ARCHIVES

M E M O R A N D U M

8 May 1990
SIA:90.05.08.01

From: William W. Moss

To: Nancy Suttenfield

Info: Robert S. Hoffmann; Ross Simons; Rita Jordan

Subj: Response to OPB Memo of 7 May: Statement for House Appropriations Subcommittee

Please pass on to the committee the enclosed brochure describing the various archival and special collections units.

The following points can be expanded upon if need be:

1. No archival unit, whether S.I. Archives or any bureau-based document collecting center can sustain the environmental conditions optimal for long-term preservation of paper, film, and magnetic tape documentation; none has adequate space to continue to house and service its collections at present nominal rates of growth; and none has adequate staff to perform labor-intensive chores of processing material for research use. All need increased resources to preserve and make accessible original documents (not copies; not information) as sound evidential basis for primary research. Long-term relief is addressed in planning for a Smithsonian center for collections-based research at Suitland. Short-term coping relies on rental space and immediate external demands, neither of which can develop into strategic progress towards optimum conditions.

2. Marvelous as they are at storing, manipulating, and retrieving data, no present electronic or magnetic tape information storage is archival; none has either the permanence or durability to preserve original documents as evidence indefinitely. For the foreseeable future documentation that must be kept as evidence for law or history must be in paper or microfilm, even if it must be "printed out" from electronic storage. See "The Effects of Electronic Recordkeeping on the Historical Record of the U.S. Government," National Academy of Public Administration report to the National Archives and Records Administration, January 1989. See also Preservation of Historical Records, National Research Council report to the National Archives and Records Administration, National Academy Press, 1986.

3. To date, the Smithsonian has not benefitted from sufficient investment in developing local office systems, intra-Institutional systems, and links to national bibliographic utilities necessary for optimum information management and research accessibility of the national document collections housed in the Smithsonian Institution. To succeed, this investment must be in the tens of millions of dollars, not tens of thousands.

MEMORANDUM

May 8, 1990

TO: Congressman Sidney Yates

FROM: Barbara J. Smith, Director
Smithsonian Institution Libraries

SUBJECT: FY1991 House Hearings Testimony

It is no accident that the greatest research universities in the nation have the greatest libraries. An undersupported library risks loss of inspiration, creativity, innovation, and discovery. The Institution's research, exhibition, educational and publication programs depend to a significant degree on the quality of its library collections and services. The Libraries initial request for 1991 was one which would insure that the Libraries would be able to continue to build and maintain collections appropriate to the programs of the Institution and provide in the future access to information wherever it resides. Libraries are by their nature internally interdependent. The interdependency can be described in many ways none more cogently than in their online information systems which serve and at the same time are the workhorses for libraries and their users. It is therefore critical that funds to support SIBIS (Smithsonian Institution Bibliographic Information System), the Libraries' current online system be found. In addition to continuing service through the existing online system, the Libraries must look ahead to the future. In FY 92, the Libraries will request no year funds of $2,074,000 for the design and installation of a new system. As the new Director of the Smithsonian Institution Libraries, I see this as well as future requests as an opportunity to position the Libraries to assist the Institution in fulfilling its mission, in maintaining its place in the research and museum community, and in reaching its potential in the 21st century. Funding to replace the present online system, which is out-dated and is without the computer capacity required to meet the needs of the Libraries and its users, is critical.

A library cannot be strong when any part is weak. The Libraries' must attempt to strengthen all critical areas so that the entire system and its users will benefit. Stable funding to deal with what has become a crisis is the research library community, the staggering rise in the price of journals (up 32% nationally in 1986-88, anticipated to be up as much as 23% in the Libraries in 1991) requires that the Libraries receive an increase of $300,000 for acquisitions.

An especially important requirement is for funding to provide for project contracts for the preservation program ($100,000). Funds were provided for staff in FY90 for which we are grateful, but that appropriation will not provide adequate funds for microfilming, reprinting, or binding endangered or embrittled books. Additional staff is another critical need for SIL as we attempt to manage the problem of the library of the 1990's. The future holds a library in transition from the traditional collections base, to a library with increasing reliance on technology, which will be significantly more dependent on electronic information systems. The first major electronic journal (available online only) will be "published" by the American Association for the Advancement of Science in 1991, a harbinger of things to come, a new way of delivering information which the Smithsonian Libraries must be prepared to do.

STATEMENT ON "FORMAL EDUCATION"
FOR HOUSE HEARINGS

Within the context of its mandate for "the increase and diffusion of knowledge," the Smithsonian has always taken very seriously its role as an educational institution. Through both programs and exhibitions, the Smithsonian offers to all who enter our many museum doors a rich variety of educational experiences, both formal and informal. By presenting real, tangible objects, as well as complex concepts, our museums have a capacity to bring information before wider audiences quickly and concretely. In addition, for those outside of the Washington, D.C. area, we have made these same kinds of experiences available through Smithsonian magazines, books, television and radio programs, lectures and seminars, and traveling exhibitions. Thus it is no exaggeration to say that each year we have been serving as an educational resource to millions of people from throughout the country and the world.

Strengthening our role as an educational institution has been of particular concern over the past several years, however, as we have sought to help address the national crisis in education in the schools. I think that all of us agree on the severity of this crisis and its alarming ramifications. Because the schools alone cannot solve this problem, we have initiated a number of programs targeted to where the need is greatest: to teachers and students in elementary and secondary schools across the country. I shall mention just a few examples of how the Institution is bringing its collections and scholarly expertise to bear on this complex national problem.

First in the sciences, our National Science Resources Center(NSRC) has begun to serve as a national clearinghouse of information on mathematics and science education. A joint endeavor of the Smithsonian and the National Academy of Sciences, the NSRC also develops and tests science curriculum materials for use in the schools and sponsors leadership institutes for teachers and school administrators.

Another program aimed at improving math and science teaching is Project STAR. It involves scientists at the Harvard-Smithsonian Center for Astrophysics working together with high school astronomy teachers to create a course that will use astronomy as the framework for teaching physical science and mathematics.

At the same time, in the humanities, our Office of Elementary & Secondary Education is engaged in a curriculum development project for the Columbus Quincentenary on "the Peoples of the Americas." The result will be a set of multi-cultural materials, in English and in Spanish, for use in early childhood programs such as Head Start.

Finally, in the arts, "Discover Graphics" is a free program offered by the Smithsonian Resident Associate Program to D.C.-area public high school students and their teachers. Within a museum context, selected students and their teachers

learn the techniques of printmaking on Smithsonian presses. On the basis of portfolios developed in this program, many students receive scholarships to university and college art schools.

The lifelong education of the American people and of many of those who visit our shores is a commitment made by the Smithsonian. We are actively pursuing a myriad of ways to strengthen educational opportunities for all of our audiences --and especially those who need these opportunities most.

Ann Bay
Director, Office of
Elementary & Secondary
Education

RICHARD KURIN, Acting Director
Office of Folklife Programs

The Festival of American Folklife, currently in its 24th year, is an integral extension of the Smithsonian Institution's mandate outdoors on the National Mall of the United States.

Continuation of the Festival is threatened because the National Park Service, National Capital Region, has indicated the intention to change federal regulations to eliminate all planned public events on the Mall. NPS contends that the elm trees on the Mall are endangered because of public use -- pedestrian traffic and event production compact the soil exacerbating drainage and disease problems for the trees. Therefore the National Park Service, National Capital Region intends to chain fence the Mall forever because the problem cannot be rectified.

NPS has not issued a scientific report to which we can react on this issue. NPS has not addressed the long term prognosis for the Mall, issues of public use, nor the Smithsonian's special standing. Outside scientists indicate elms are endangered everywhere due to pollution and disease. Our survey of the Mall shows no more damage to the elms on the Festival site than anywhere else on the Mall.

Why save the Festival? -- The Festival is the international and national model for a research based living cultural exhibition which broadly educates the public on issues of cultural diversity. More than 15,000 tradition bearers from every state and region of the United States, from more than 40 other nations, 110 American Indian tribes and scores of ethnic and occupational groups have been honored at the Festival and have been encouraged to continue their heritage back home, often with dramatic results. The Festival has generaged scholarly books, radio broadcasts, Folkways recordings, teacher programs, and even an Academy Award winning film.

The siting of the Festival is crucial to its surrvival. The Festival is held annually in "America's front yart" in the words of a previous NPS director. The Festival is recognized as a special "national celebration" in current Federatl regulations (36 CFR, 7) with its siting designated as on Mall surrounded by the Smithsonian museums and as occurring around the Fourth of July. This location establishes the Festival as a "living museum," connected to the other museum through research and education functions. The site adds to the honor felt by artists and to the seriousness with which cultural literacy is imparted to citizens and visitors.

The site has other advantages. It is close to the Metro stop and therefore accessible to large numbers of a broad range of citizens. With a visitorshir of more than 1 million

annually, the Festival is a very successful public education activity, and encourages state and private funding sources to pay most of the costs of mounting the Festival. The Festival also encourages broader more diverse attendance in the museums. Moving the site might destroy the Festival, as alternative sites are too far removed from the Smithsonian museums, too small, too dangerous to the public, or subject to far too much noise from overflying jets. Moving the Festival would require hundreds of thousands of dollars for new infrastructure, as the Smithsonian has electric, phone, water and sewage lines underground at the current site.

Our proposal is to keep the Festival in its current site and mitigate possible harm to the elms by making greater use of the grass panels when possible and continue to cover the costs of resodding, locating heavy loads on walkways, and limiting vehicle use on the treed panels.

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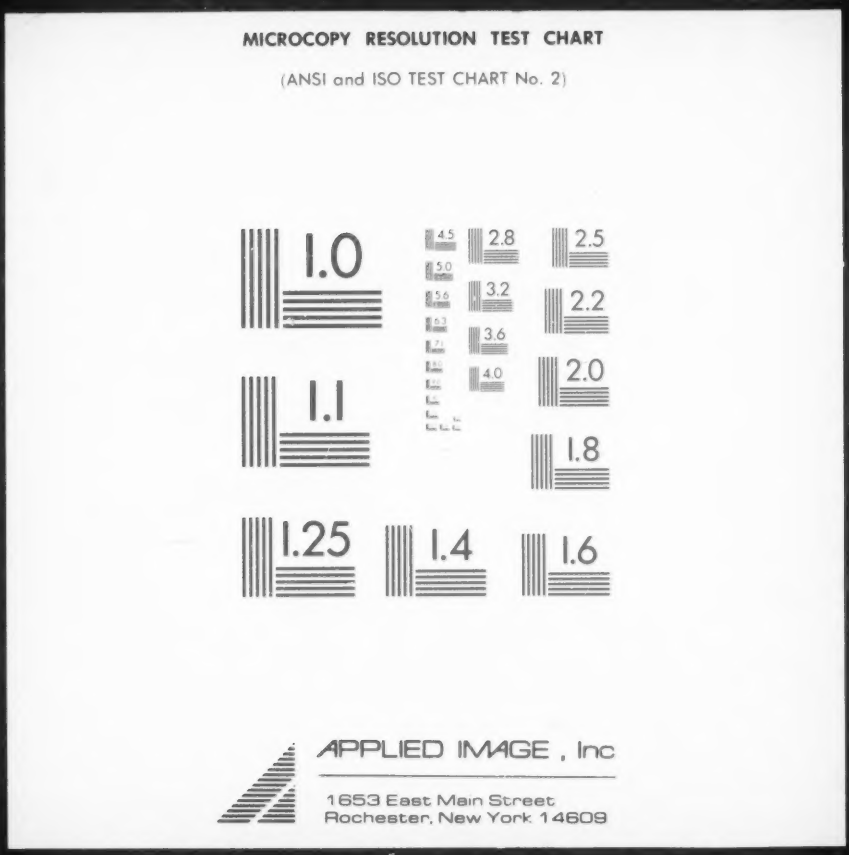

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